ALBERTA INFRASTRUCTURE
Annual Report

Alberta
INFRASTRUCTURE

101-07424/

PUBLIC ACCOUNTS 2000 - 2001

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Government Accountability Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 18 Ministries.

The annual report of the Government of Alberta released June 2001 contains the Minister of Finance's accountability statement, the consolidated financial statements of the Province and a comparison of the actual performance results to desired results set out in the government's business plan, including the Measuring Up report.

On March 15, 2001, the government announced new ministry structures. Since the 2000-01 fiscal year was substantially completed prior to this announcement, ministry annual reports and financial statements have been prepared as if the restructuring took place on April 1, 2001, to provide proper accountability for the 2000-01 fiscal year against the original business plan.

This annual report of the Ministry of Infrastructure contains the Ministers' accountability statement, the audited financial statements of the ministry and a comparison of actual performance results to desired results set out in the ministry business plan. This Ministry annual report also includes other financial information as required by the *Financial Administration Act* and *Government Accountability Act*, either as separate reports or as a part of the financial statements, to the extent the ministry has anything to report.

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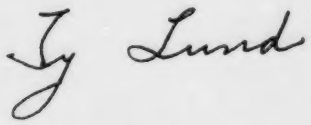
MINISTERS' ACCOUNTABILITY STATEMENT

The Ministry's Annual Report for the year ended March 31, 2001 was prepared under our direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of September 14, 2001 with material economic or fiscal implications of which we are aware have been considered in the preparation of this report.



Ty Lund
Minister
Alberta Infrastructure

Ed Stelmach
Minister
Alberta Transportation

MESSAGE FROM THE MINISTERS

Ty Lund
Minister
Alberta Infrastructure

Ed Stelmach
Minister
Alberta Transportation

This year was very exciting and challenging for Alberta Infrastructure. It was a year of positive change for our many clients and stakeholders throughout the province. From building highways, hospitals and schools to the upgrading of seniors' lodges and promoting traffic safety, the priorities of Albertans were always at the forefront.

Alberta Infrastructure's mission has always been to provide Albertans with the safe, efficient infrastructure they expect and deserve. The ministry's focus has been to enhance and preserve the existing infrastructure as well as provide a continuous valuable contribution to the government's economic development strategy.

A multitude of special infrastructure projects and funding arrangements were also announced throughout the year. For example, condition audits were completed on 1,463 schools in the province. The audits will provide a strategic tool for the prioritization of school capital projects. Similarly, the commencement of facilities audits for post-secondary institutions began and the results will form the basis of future capital spending.

Multi-year funding approvals of $312 million, under the New Century Schools Plan, were announced and $230 million was spent for expansion and modernization of school facilities in 2000-01. An additional $64 million was spent during the year on upgrading and expansion grants to post-secondary institutions. Additional funding was also announced for post-secondary institutions of $6 million in 2000-01 and $210 million in 2001-02. In addition, $16 million was spent on seniors' lodges and $280 million on health care facilities.

The year saw the transfer of responsibility for the construction, maintenance and rehabilitation of secondary highways from the municipalities to the province. The ministry also assumed responsibility for key trade highways through cities, which are part of the North-South Trade Corridor.

Through adoption of the recommendations of the Premier's Task Force on Infrastructure, many improvements were made in terms of funding levels for transportation infrastructure and the allocation of responsibility for highways key to the overall provincial network. Of particular note was the implementation of a new funding formula to address transportation infrastructure needs in Edmonton and Calgary. These cities now receive the equivalent of five cents per litre of on-road fuel delivered for sale within their boundaries.

Alberta Infrastructure was also able to focus on overall government priorities by quickly developing and implementing an energy rebate program to help Albertans with the high cost of heating. Through effective fiscal management techniques, Alberta Infrastructure was able to expedite $790 million in rebates to consumers, businesses and not-for-profit organizations.

Through a diverse range of activities, the ministry emphasized a balance of enhancing the current infrastructure, making continuous strides in improving traffic safety, and continuing to streamline administrative processes wherever possible. Ministry staff also actively worked with other ministries on several provincial government initiatives, including continuing to lead the cross-ministry Capital Planning Initiative.

Alberta Infrastructure's commitment to reducing barriers encountered by persons with disabilities continued, with the emphasis widened to include not only transportation but access to government owned and leased buildings as well.

On March 15, 2001, following an election and a restructuring of government and Cabinet, the ministry was restructured into two separate ministries; one focused on building infrastructure and the other focused on transportation. This reorganization reflected stakeholder and public input that Alberta's transportation infrastructure faces tremendous pressure as a result of the province's rapid economic growth. Continuing to develop a highway network that meets the needs for future years will only add to Alberta's growth and prosperity. Alberta Transportation will continue to work with municipalities, stakeholders, partners, the private sector and the public to achieve this vision.

Alberta Infrastructure retained responsibility for building infrastructure, including schools and post-secondary learning facilities, health care facilities, seniors' lodges, and government facilities such as correctional facilities, courts, and certain cultural facilities. As well, the provision of certain central government services such as the purchase and disposal of property, management of the government vehicle fleet and aircraft, and government procurement operations remains with Alberta Infrastructure.

The many improvements made this past year have laid the framework for a better environment in which to serve Albertans effectively and efficiently.

Ty Lund
Minister
Alberta Infrastructure

Ed Stelmach
Minister
Alberta Transportation

A Look to the Future

Alberta Infrastructure and Alberta Transportation will continue their efforts to provide quality infrastructure to meet the needs of all Albertans. There are a number of major initiatives that each ministry will consider as priorities over the next several years.

Alberta Infrastructure

➤ Continuing to implement the New Century Schools Plan that will see $1 billion being provided to address high-priority requirements for new schools and school upgrades. The ministry will continue to work with Alberta Learning and the school boards to support an effective learning system for Alberta students through the funding of quality educational facilities.

➤ Sponsoring a symposium on School Facilities in the fall of 2001 to review alternative procurement opportunities, sustainable development and evolving use of school facilities. Representatives from educational stakeholder groups, municipalities, applicable business representatives and the Alberta government will be invited.

➤ Planning for a number of key health care facility projects will continue, including new Health Centres of Excellence and Health Research Centres in both Edmonton and Calgary, a new Children's Hospital in Calgary, Royal Alexandra Hospital redevelopment in Edmonton and many others. Alberta Infrastructure staff will work with the regional health authorities and Alberta Health and Wellness, as well as the universities of Calgary and Alberta, in planning and constructing these important, state-of-the-art facilities that will help provide quality, expert health care for all Albertans.

➤ Developing the Calgary Court Strategy in consultation with Alberta Justice. An overall projected cost of approximately $200 million will be required over the next five years to provide a new courthouse. The proposed new facility will consolidate in one building all the courts (Court of Appeal, Court of Queen's Bench and Provincial Court) that are presently distributed throughout the downtown Calgary area.

➤ Working in partnership with Alberta Community Development to provide funding and expertise for infrastructure projects, including upgrading the Jubilee Auditoria in Edmonton and Calgary, the Provincial Archives and the Provincial Museum, for Alberta's 2005 Centennial.

➤ Supporting the cross-ministry Capital Planning Initiative, by developing effective infrastructure management systems, performance measures, planning and prioritization tools for building infrastructure.

➤ Continuing to dispose of surplus government property on an accelerated basis. By 2003, the target to dispose of $100 million worth of property that is no longer needed will be reached.

➤ Reducing energy consumption in government owned and supported buildings will continue through initiatives on Climate Change, the Electricity Conservation Strategy, and energy audits of buildings.

➤ Determining the best option for the future operation of the Swan Hills Treatment Centre. A recommendation to Cabinet should be ready by late fall of 2001.

A Look to the Future

Alberta Transportation

➤ Continue to four-lane the North-South Trade Corridor until it is substantially completed in 2007. Completion of this key trade corridor route will enhance the flow of goods to international markets and support the healthy economy in Alberta.

➤ Development of a five-to-ten year Highway Investment Strategy to determine the investment priorities for corridors and highway expansions required to meet future private sector requirements and new transport demand.

➤ Proclamation of the *Traffic Safety Act* in 2002 will enhance public safety by bringing in tougher provisions against people who continue to drive while their operator's licence is suspended. The new Act also creates an administrative penalty process for commercial carriers, which will be an alternative to charging carriers and having them go through the court process.

➤ Introduction of a Graduated Driver Licensing Program upon proclamation of the *Traffic Safety Act*. The program will contribute to a reduction in collision, injury and fatality rates for new drivers by ensuring that they gain experience under low risk driving conditions before graduating to more demanding conditions.

➤ Proclamation of the new *Railway Act* in 2002 will foster the development of new short lines in Alberta by removing stringent economic requirements and the requirements for a special act for each new operator. The Act will enhance rail safety by ensuring that the safety aspects of all railways, including the safe operation of industrial and amusement railways, are adequately addressed. It will also provide the minister with legal authority to enforce safety procedures while the onus to operate safely would be on industry.

➤ In partnership with Alberta Environment, the Interdepartmental Committee for Municipal Water/Wastewater and other government departments, continue to ensure the Alberta Municipal Water/Wastewater Partnership and the provincial long-term water quality strategy meet provincial objectives.

➤ Lead the cross-ministry Capital Planning Initiative until effective infrastructure management systems, performance measures, planning and prioritization tools are in place and become the way of doing business for all ministries involved in managing capital infrastructure in the province.

➤ Continue to work with the federal government and other jurisdictions to implement the Infrastructure Canada/Alberta Program (ICAP), as well as develop a National Highway Strategy.

➤ Complete the construction of the Little Bow River Project by 2003. Construction of the main embankment and the auxiliary spillway has commenced and the remaining components will be tendered in 2002.

MANAGEMENT'S RESPONSIBILITY FOR REPORTING

The Ministry of Infrastructure includes Alberta Infrastructure from April 1, 2000 to March 15, 2001. From March 15, 2001 to March 31, 2001, it includes the new Ministries of Infrastructure and Transportation, which were formed as a result of the Government restructuring on March 15, 2001.

The executives of the individual entities within the ministry have the primary responsibility and accountability for the respective entities. Collectively, the executives ensure the ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and business plans, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of the financial statements and performance results for the ministry rests with the Ministers of Infrastructure and Transportation. Under the direction of the Ministers, we oversee the preparation of the ministry's annual report, including financial statements and performance results. The financial statements and performance results, of necessity, include amounts based on estimates and judgements. The financial statements are prepared in accordance with the government's stated accounting policies.

As Deputy Ministers, in addition to program responsibilities, we establish and maintain the ministry's financial administration and reporting functions. The ministry maintains systems of financial management and internal control, which give consideration to costs, benefits, and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money;
- provide information to manage and report on performance;
- safeguard the assets and properties of the province under ministry administration;
- provide Executive Council, Treasury Board, the Minister of Finance and the Ministers of Infrastructure and Transportation any information needed to fulfill their responsibilities; and
- facilitate preparation of ministry business plans and annual reports required under the *Government Accountability Act*.

In fulfilling our responsibilities for the ministry, we have relied, as necessary, on the executive of the individual entities within the ministry.

Maria David-Evans
Deputy Minister, Alberta Infrastructure

Jay Ramotar
Deputy Minister, Alberta Transportation

Operational Overview

Our Mission

Alberta Infrastructure contributes to Alberta's economic prosperity and quality of life through the provision of necessary, effective and safe infrastructure for all Albertans.

Our Mandate

Alberta Infrastructure is a multi-faceted organization responsible for infrastructure owned or supported by the Alberta government. Its key responsibilities are to:

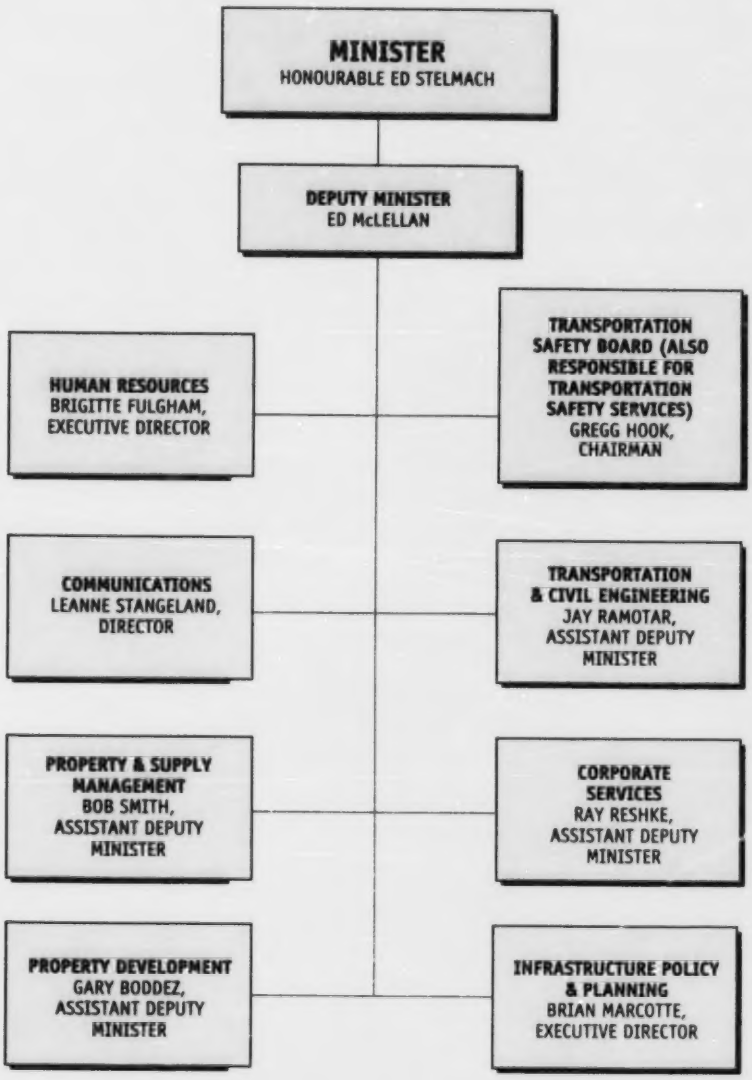
- ensure the safety of those travelling on Alberta's roadways through the provision of traffic safety education, awareness and enforcement programs;
- provide safe and effective highways and support municipalities in the development and rehabilitation of local roads and bridges;
- manage the development of seniors' lodges, learning, health care and water management facilities; and
- plan, construct, operate and maintain cultural/historical, correctional, and other government facilities.

Our Core Businesses

- improve road, driver and vehicle safety by delivering traffic safety education strategies; monitoring motor transport compliance with regulations; monitoring the handling and transport of dangerous goods; administering driver education and training programs; managing driver records and problem drivers; and implementing impaired driving programs;
- provide government facilities and road infrastructure through planning, design, construction, rehabilitation, operation, maintenance, and land management;
- through innovative partnerships, support the provision of infrastructure to meet the overall needs of Albertans, including local roads, health care, learning and community service facilities and seniors' lodges;
- manage central services to all government departments, such as accommodation requirements, air transportation services, executive and government fleet operations, procurement, buildings, property acquisition and disposal; and
- influence national and international policy in roads, rail, air, passenger, ports/marine, and border crossing services, as well as represent Alberta's interests in internal and external trade agreements as they impact government procurement and transportation.

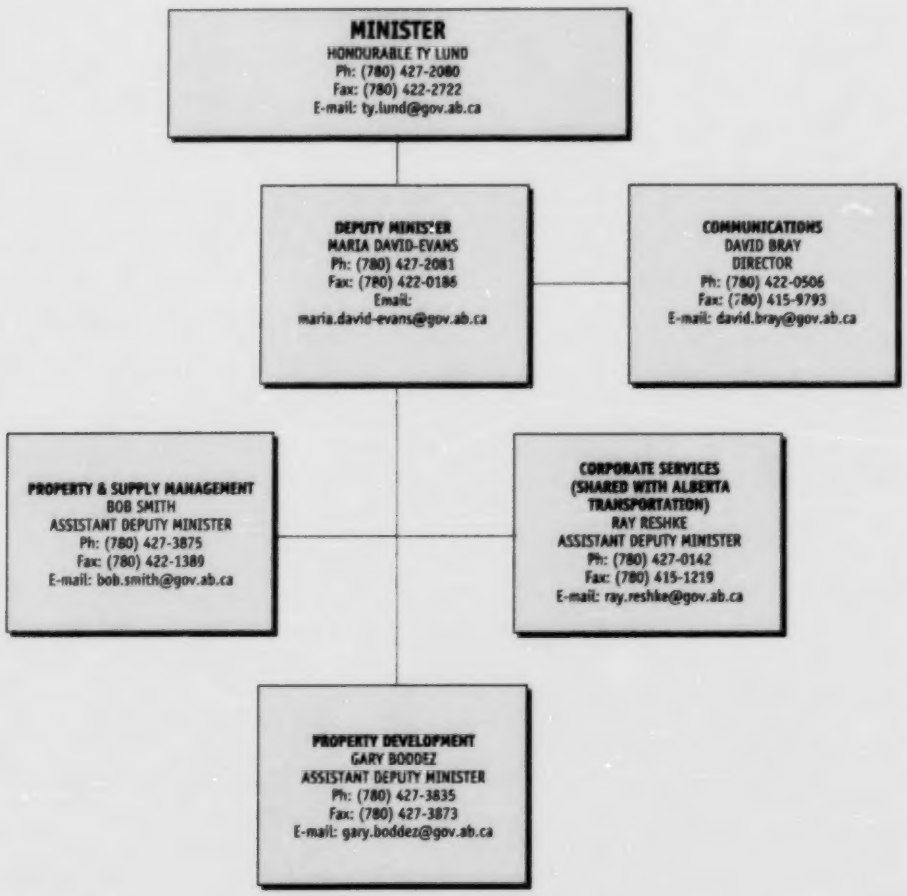
MINISTRY ORGANIZATION

The following chart represents the organization of Alberta Infrastructure from April 1, 2000 to March 15, 2001, prior to the March 15, 2001 government restructuring.

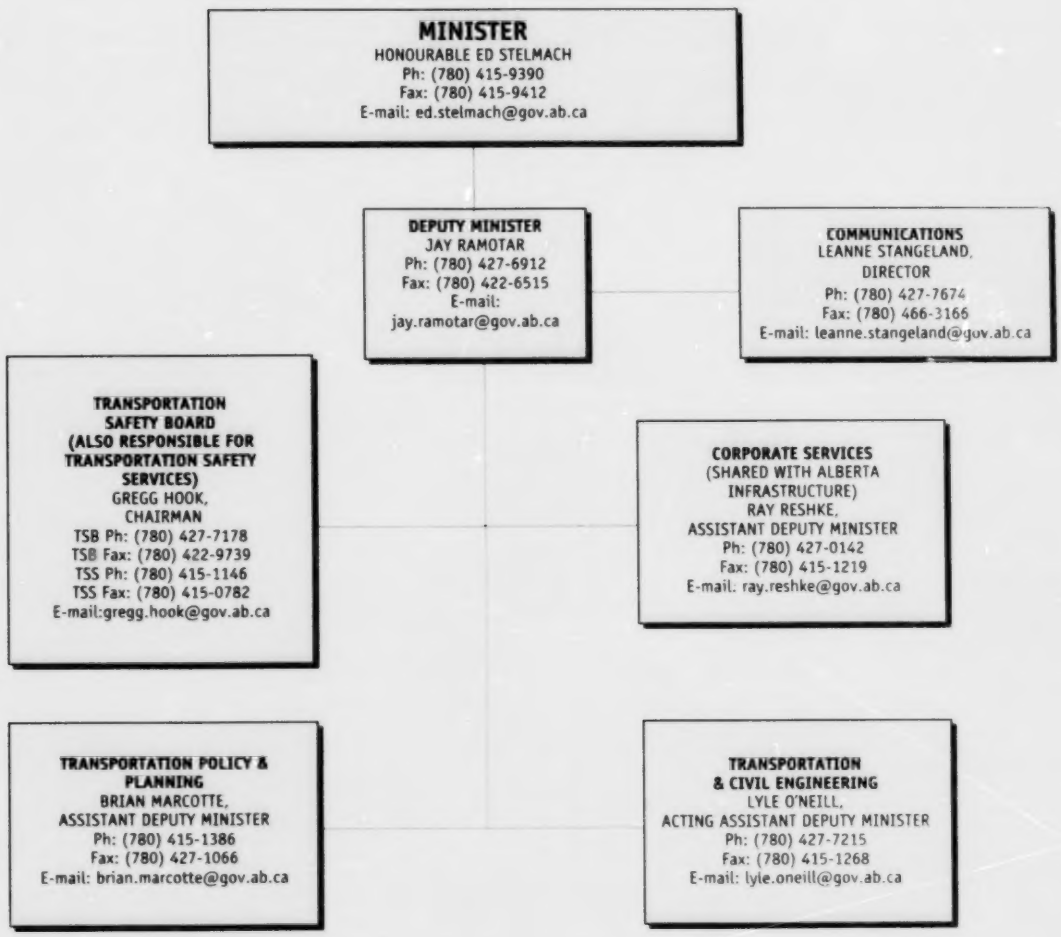


MINISTRY ORGANIZATION

The following organizational chart represents the structure of Alberta Infrastructure from March 15 to March 31, 2001.



The following organizational chart represents the structure of Alberta Transportation from March 15 to March 31, 2001.



SUMMARY OF KEY ACTIVITIES IN THE PAST YEAR

The following is a high-level summary of key activities and initiatives undertaken within the past year. Specific details on the various initiatives are included in the Results Analysis portion of this annual report.

➤ The New Century Schools Plan positively impacted school facilities through funding approvals of $312 million and spending of $230 million for expansion and modernization of school facilities.

➤ Post-secondary institutions received $64 million to upgrade and expand their facilities. As well, an audit of all institutions commenced.

➤ Preliminary planning for two Health Centres of Excellence, the Bone and Joint Centre in Calgary and the Cardiac Centre in Edmonton, got underway. These initiatives will produce centres of expertise with worldwide reputations.

➤ Development of regulations under the new *Traffic Safety Act* continued. Extensive public consultation has taken place on various issues including commercial vehicle equipment standards and graduated driver licensing.

➤ Development of new regulations under the *Railway Act* commenced to provide for the safe operation of railways under provincial jurisdiction.

➤ Provided a comprehensive position paper to the *Canada Transportation Act* Review Panel, which focused on airline restructuring, rail and shipper access and accessibility for persons with disabilities. This is subsequent to consultations being conducted by the Alberta Economic Development Authority.

➤ In response to municipalities' concerns and recommendations of the Premier's Task Force on Infrastructure, the province assumed responsibility for the cost of construction, rehabilitation and maintenance of all secondary highways and key trade highway routes effective April 1st, 2000.

➤ Funding to Alberta's 14 cities and the urban areas of Sherwood Park and Fort McMurray was enhanced. Commencing April 1, 2000, funding to the cities of Edmonton and Calgary is based on five cents per litre of on-road fuel delivered for sale within each city. Other cities receive basic funding of $60 per capita, per year over the long-term.

➤ Development of the North-South Trade Corridor continued with 69.2 per cent of the corridor now open to four-lane traffic.

➤ The St. Mary Dam Spillway replacement project and the East Arrowwood Syphon replacement project were substantially completed in 2000-01.

➤ To shield Albertans from the high cost of heating, $790 million in energy rebates were distributed to consumers, businesses and not-for-profit organizations.

➤ Assumed responsibility for the management, and potential transition to the private sector, of the Swan Hills Treatment Centre.

➤ Retendered highway maintenance contracts for primary and secondary highways in the Calgary, Hanna, Vermilion, Red Deer, Athabasca and Fort McMurray areas at significant cost-per-kilometre savings.

DEPUTY MINISTERS' MESSAGE

The 2000-01 fiscal year has been a very busy and productive time for Alberta Infrastructure. It was a time of many changes with the ministry taking on responsibility for the expansive secondary highway system, virtually doubling the number of kilometres of highways for which it is responsible. As well, significant additional funding was provided for health care and learning facilities, which meant that ministry staff had to work harder, and more efficiently than ever to ensure that the funding was allocated to meet Albertans' greatest infrastructure needs.

Alberta Infrastructure also continued its efforts on high priority initiatives such as four-laning the North-South Trade Corridor and the development of regulations under the *Traffic Safety Act*. The ministry took on important government priorities such as ensuring the quick development and implementation of the energy rebate program to reduce the cost of natural gas and other fuels.

The ministry participated in the government's shared services initiative and after careful review transferred staff to the Alberta Corporate Services Centre. Alberta Infrastructure staff continue to work with them to implement new business processes and service standards to improve the efficient delivery of government services.

A comprehensive review of manpower resources was undertaken, both in terms of better alignment of staff as well as the development of a Human Resources Plan for the ministry. This document established a link between human resource needs and the business plan, thereby creating a projection of manpower resource requirements tied to the goals and priorities of the ministry. With the transfer of responsibility for the secondary highways, it was determined additional staffing resources would be needed for monitoring commercial vehicle traffic on those highways and other associated administrative needs.

The new Human Resource Plan also resulted in the development and implementation of an enhanced training policy and a new performance management system for both management and non-management staff. Leadership continuity became one of the key strategies, which will enable the ministry to effectively carry out its core businesses in the long term. Efforts under the Joint Workforce Development Initiative continued. The program involves working with our partners in the road building and consulting industries to encourage engineering students to work in the transportation industry.

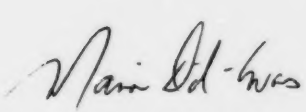
In March 2001, Canada's Climate Change Voluntary Challenge and Registry Inc. (VCR Inc.), a non-governmental organization that encourages voluntary action from the public and private sectors, presented the Government of Alberta with a third VCR Inc. Leadership Award. In 1999, emissions from Alberta government operations were almost 20 per cent below 1990 levels, well beyond the 14 per cent by 2000 target set out in 1995. This is due in large part to an aggressive energy retrofit initiative for government owned buildings by Alberta Infrastructure.

Deputy Ministers' Message

Alberta Infrastructure continued to work productively with other ministries and made progress on several cross-ministry policy and administrative initiatives, particularly the Capital Planning Initiative. The initiative's main goal is to improve data collection systems and create an improved budgetary framework for managing multiple-year plans.

For the first time, Alberta Infrastructure undertook a client satisfaction survey. Key clients, stakeholders, partners and others were asked what their levels of satisfaction were with respect to how the ministry services are provided. Although there are certainly areas where improvements can and will be made, the ministry is proud of the results and comments with respect to the department's dedicated and professional staff. The results of this first client survey will form the baseline for the development of a new performance measure that will be included in future business plans.

The ministry's three-year business plan provided a sound framework for establishing priorities and achieving goals. Staff have done an exceptional job of continuing to excel in times of change and their efforts are truly exemplary. Their dedication and commitment will ensure the ongoing efficient delivery of services to Albertans.



Maria David-Evans
Deputy Minister
Alberta Infrastructure

Jay Ramotar
Deputy Minister
Alberta Transportation

Report of the Auditor General on the Results of Applying Specified Auditing Procedures to Performance Measures

AUDITOR GENERAL *Alberta*

To the Members of the Legislative Assembly

I have performed the following procedures in connection with the Ministry of Infrastructure's performance measures included in the *2000-2001 Annual Report of the Ministry of Infrastructure.*

1. Information obtained from an independent source, such as Statistics Canada, was agreed with the information supplied by the stated source. Information provided internally was agreed to the reports from the systems used to develop the information.
2. The calculations that converted source information into reported measures were tested.
3. The appropriateness of the description of each measure's methodology was assessed.

As a result of applying the above procedures, I found no exceptions. However, these procedures do not constitute an audit of the performance measures and therefore I express no opinion on the performance measures included in the *2000-2001 Annual Report of the Ministry of Infrastructure.*

Peter Valentine FCA
Auditor General

Edmonton, Alberta
July 20, 2001

RESULTS ANALYSIS: GOALS

Transportation safety involves virtually every Albertan, from drivers and pedestrians to the motor carrier industry and law enforcement agencies. Through numerous education, information and compliance initiatives, Alberta Infrastructure continued its efforts to make Alberta's roads as safe as possible.

GOAL 1: IMPROVE TRANSPORTATION SAFETY

Improve road user behaviour through cost-effective education, information and compliance programs, and increased community participation.

Initiatives to improve traffic safety

The Traffic Safety Initiative continued with the following programs and initiatives:

➤ The "Walk the Talk About Back to School Traffic Safety" program is an annual program aimed at teaching students traffic safety tips to use on their way to school. As the highlight of this year's program, new highly visible fluorescent yellow-green "School Zone" and "School Crossing Ahead" signs, recently approved by the Transportation Association of Canada, were adopted across the province.

➤ Alberta's school bus drivers, elementary school children, parents and motorists learned essential school bus safety tips and practiced emergency evacuation tips during School Bus Safety Week.

➤ Snowmobile safety was enhanced through the Snowmobile Information and Education Program, a joint effort of the ministry's Traffic Safety Initiative, the Royal Canadian Mounted Police and the Alberta Snowmobile Association.

New regulations were under development for the Traffic Safety Act:

➤ A new Graduated Driver Licensing program was drafted for inclusion in the *Traffic Safety Act,* which will be proclaimed in 2002. This program will include measures designed to help reduce collision rates in Alberta by ensuring new drivers gain experience under low-risk conditions before graduating to more demanding driving conditions. This Act will also include other changes to address problems of impaired driving.

➤ Discussion papers were developed and circulated to the public on a number of new *Traffic Safety Act* regulations including Graduated Licensing and General Licensing, Commercial Vehicle General Equipment and Safety, and Off-Highway Vehicles. Results from the consultations will be included in the development of new regulations under the *Traffic Safety Act*.

Monitoring the safety of the motor carrier industry

Alberta Infrastructure continued to partner with the motor carrier industry and others in the following ways:

➤ In partnership with the Transportation Training and Development Association, the department proposed a new approach to professional driver training and certification. The approach takes into account industry concerns for improved safety management and the need to attract and retain a stable workforce in the face of rapidly changing demographics. The proposed approach includes an optional certification/trade status for the truck industry and bus industry.

➤ Steps were taken to prevent collisions caused by commercial driver fatigue by considering regulations that will limit the number of hours per week a driver can operate a commercial vehicle. As well, efforts continued to harmonize driver's hours of operation legislation across Canada, in addition to developing a comprehensive fatigue management program for commercial vehicle drivers in partnership with Transport Canada, Alberta Workers Compensation Board and the Alberta Motor Transport Association.

➤ The department continued to provide 24-hour information and emergency reporting assistance to the public through the Dangerous Goods Coordination & Information Centre (CIC). The CIC provided compliance information to industry and enforcement agencies as well as the co-ordination of provincial government response and emergency response information for all dangerous goods incidents in Alberta. The CIC also served as the initial response co-ordination office for all natural disasters and emergencies throughout the year. In total, the CIC responded to 8,341 calls during 2000-01. In addition, the CIC provided assistance to emergency responders in 346 related incidents, including 205 dangerous goods road mode incidents.

➤ Alberta Infrastructure looked at a new way of simplifying administrative processes by examining the feasibility of computerized data collection to replace the paper process for the reporting of traffic collisions, violations and vehicle inspections using mobile computers in police vehicles.

In 2000-01, the safety of commercial vehicles and the motor carrier industry was monitored in the following ways:

➤ Three specific initiatives, aimed at commercial vehicle traffic, were launched to improve highway safety conditions for all travelers. They included:

- hiring 50 new Transport Officers to fill the demand created when Alberta Infrastructure was given responsibility for secondary highways in April 2000. The increased number of Transport Officers will enable the ministry to enforce commercial vehicle regulations more effectively;
- completing the pilot project authorizing ministry Transport Officers to enforce moving violations committed by drivers of commercial vehicles, including speeding infractions;
- initiating a six-month pilot project to add two new routes to the list of approved highways for long combination vehicles (LCVs). These routes include Edmonton to Fort McMurray (Highways 28A, 28 and 63), and Calgary to Saskatchewan (Highways 1, 36 and 9).

➤ Alberta Infrastructure conducted 447 Commercial Vehicle Safety Alliance inspections at 64 survey sites across the province between June and November 2000, inspecting motor carrier vehicles for safety violations and overweight and overload infractions.

Activities of the Transportation Safety Board

➤ The Transportation Safety Board is comprised of the Driver Control Board, which is established under the *Motor Vehicle Administration Act*, and the Motor Transport Board, established under the *Motor Transport Act*. The Driver Control Board reviewed 7,335 cases involving drivers applying to have their suspended licenses reinstated. The Motor Transport Board heard 8,981 cases with respect to commercial carriers not meeting Alberta safety fitness standards.

Performance Measures

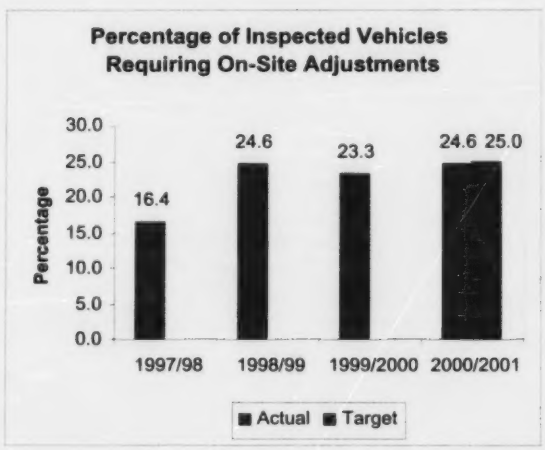
Mechanical Safety of Commercial Vehicles

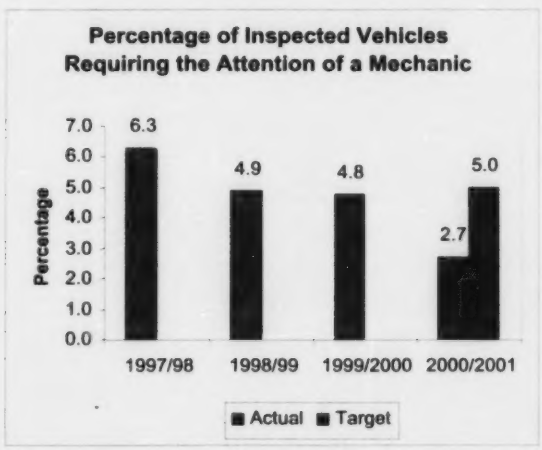
This measure is defined as the percentage of commercial vehicles that are rendered out-of-service using nationally recognized standards (Commercial Vehicle Safety Alliance) when inspected by ministry staff at roadside checks.

Methodology

The results are reported in two categories: vehicles requiring minor adjustments on site and those requiring the attention of a mechanic. The numbers generated by the inspection reports are percentages based on how many vehicles were rendered out-of-service requiring on-site adjustments or the attention of a mechanic when inspected by department staff at roadside checks versus the number of vehicles inspected overall. The lower the percentage of vehicles rendered out-of-service the better the result.

Results for 2000-01 were based on a sample of 447 inspections conducted at 64 sites across the province between June and November 2000.





Analysis

The above graphs illustrate that Alberta Infrastructure exceeded its targets in terms of reducing the number of unfit commercial vehicles on the road. Despite this success, the ministry will continue to work with the commercial carrier industry on education and information initiatives that focus on commercial vehicle safety.

Traffic Safety Measures

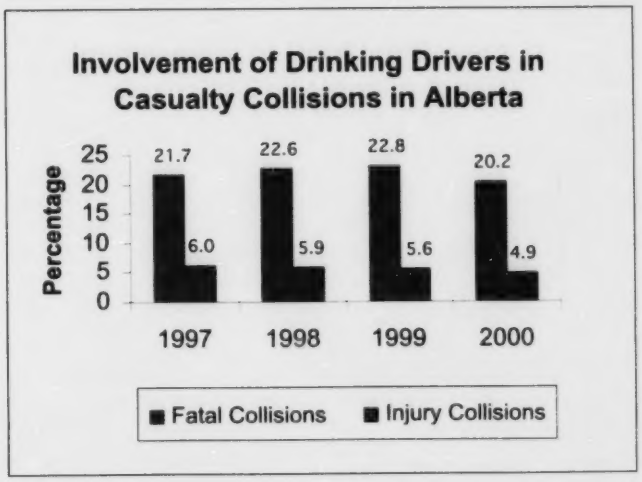
During the 2000-01 fiscal year, work commenced on the development of performance measures that would reflect the outcomes of the various traffic safety programs and initiatives undertaken by Alberta Infrastructure. It has been determined that measures which report on seat belt usage and alcohol related collisions are indicative of the driver education programs and new legislation respecting impaired drivers.

Involvement of Drinking Drivers in Casualty Collisions

This measure is defined as the percentage of involvement of drinking drivers in fatal and injury collisions in Alberta.

Methodology

This measure indicates the percentage of casualty collisions (injury and fatality) where the operator of the vehicle had consumed alcohol before the crash. Data for this measure is taken from the Alberta Collision Information System, which is administered by Alberta Transportation.



Analysis

The above bar graph shows that in 2000, 4.9 per cent of drivers involved in injury collisions had consumed alcohol before the collision, compared to 20.2 per cent in fatal collisions. As the severity of the collision increased, the per cent involvement of alcohol dramatically increased. For the total number of collisions there are 120 collisions where the condition of the driver is unknown. For the purposes of this measure that figure has not been included in the total calculation of fatal and injury collisions.

The results for 2000 have improved in both categories from 1999 results. This positive change can be attributed to enhanced Check Stop programs, enhanced driver education initiatives and especially to the implementation of the Alberta Administrative License Suspension Program (AALS). The AALS was implemented on December 1, 1999 and allows for:

- automatic three-month operator's licence suspension or disqualification for drivers who have provided a breath sample with a blood alcohol content of more than 80 milligrams of alcohol in 100 millilitres of blood, or refused to give a breath or blood sample; or
- automatic six-month operator's licence suspension or disqualification if the offense caused bodily harm or death.

Supplemental Information

These performance measures will be included in future business plans for Alberta Transportation. Targets for future years will be set, which will meet or exceed the national average in the case of seat belt usage.

A new graduated driver licensing program will be implemented in 2002 following the proclamation of the *Traffic Safety Act*. Once that program has been in place for at least one year, a new measure will be developed that will report on collisions involving new drivers, before and after program implementation.

Seat Belt Usage

This measure is defined as the percentage of vehicle occupants wearing seatbelts in Alberta in comparison to the national level.

Methodology

Using data collected by Transport Canada (TP2436, Road Safety Leaflet #RS2000-02 E, October 2000), this measure compares the percentage of occupants wearing seat belts in light duty vehicles driven in Alberta, compared to the national percentage. The national percentage includes the average of all of the provinces and territories, except Nunavut. Light duty vehicles include passenger cars, passenger vans and light trucks. Data is collected through surveys undertaken each June/July in all provinces.

Percentage of vehicle occupants wearing seat belts – Alberta	
1998	82.4
1999	89.3
2000	87.2

Percentage of vehicle occupants wearing seat belts – Nationally	
1998	88.7
1999	90.1
2000	90.1

Analysis

As indicated in the above table, the usage of seat belts does not meet the national average. However, in terms of benchmarking against other provinces, Alberta's results for 2000 rank seventh amongst the 12 other jurisdictions. This could be a reflection of the level of enforcement implemented by Alberta and other jurisdictions for seat belt infractions. Alberta Transportation will continue to implement traffic safety education programs that encourage seat belt usage.

The results for 2000 have improved in both categories from 1999 results. This positive change can be attributed to enhanced Check Stop programs, enhanced driver education initiatives and especially to the implementation of the Alberta Administrative License Suspension Program (AALS). The AALS was implemented on December 1, 1999 and allows for:

- automatic three-month operator's licence suspension or disqualification for drivers who have provided a breath sample with a blood alcohol content of more than 80 milligrams of alcohol in 100 millilitres of blood, or refused to give a breath or blood sample; or
- automatic six-month operator's licence suspension or disqualification if the offense caused bodily harm or death.

Supplemental Information

These performance measures will be included in future business plans for Alberta Transportation. Targets for future years will be set, which will meet or exceed the national average in the case of seat belt usage.

A new graduated driver licensing program will be implemented in 2002 following the proclamation of the *Traffic Safety Act*. Once that program has been in place for at least one year, a new measure will be developed that will report on collisions involving new drivers, before and after program implementation.

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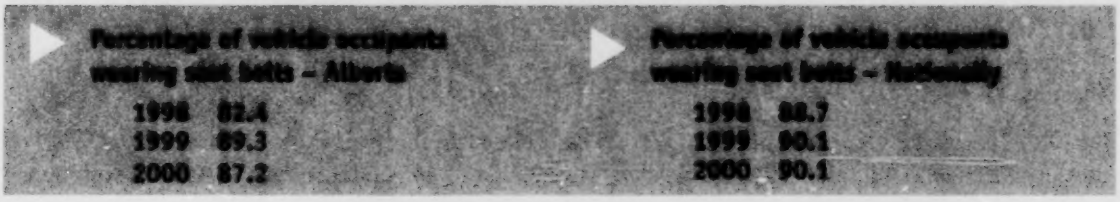

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GOAL 2: ENHANCE INTEGRATED INFRASTRUCTURE PLANNING

Facilitate the development and implementation of comprehensive infrastructure management and planning systems.

➤ Alberta Infrastructure continued to lead the cross-ministry Capital Planning Initiative directed at developing a priority ranking system to ensure infrastructure dollars are used in the most cost-effective and efficient manner possible. Five key strategies were developed to ensure the initiative addressed the government's infrastructure goals. The ministry provided overall support into the development of capital plans, performance measures and infrastructure management systems for ministry-owned building and highway infrastructure. This phase of the Capital Planning Initiative was critical to the development of long-term planning and information systems to support funding decisions for the government's owned and supported infrastructure. The final report on the results was released before March 31, 2001.

➤ The development of a common Building and Land Infrastructure Management System (BLIMS), commenced. This system will support the varying functions associated with managing building and land infrastructure. These functions include activities such as inventory, planning, condition evaluation and property and lease management. BLIMS will allow the ministry to share common and required information among various stakeholders; eliminate old legacy systems; and support the performance measurement and information management requirements of the Capital Planning Initiative.

➤ The Integrated Health Facility Information System (IHFIS) was issued to all Regional Health Authorities (RHAs). The RHAs have been using this system to monitor the condition of publicly-funded health facilities and to support development and rehabilitation planning. This system will be replaced by BLIMS once it is implemented.

➤ A common Transportation Information Management System (TIMS) was recommended to enhance the ability of the ministry to prioritize construction, rehabilitation and maintenance on the highway network, by:

- implementing the Appurtenance Management Module;
- implementing the bridge inventory component;
- substantially implementing the bridge inspection system;
- issuing the Request for Proposal for the Bridge Management Module; and
- completing the evaluation on 96 per cent of bridge facilities.

➤ The needs of persons with disabilities were considered as a key criterion when planning and providing infrastructure and/or designing and implementing programs. For example:

- Alberta Infrastructure established the Departmental Action Group on Accessibility to increase awareness and update staff on accessibility issues for persons with disabilities and ensure building accessibility is considered in all future upgrades and renovations;
- In partnership with a private-sector telephone service provider, Alberta Infrastructure provided five teletypewriter payphones at provincially-owned rest stops throughout the province;

- In consultation with stakeholders, the ministry developed a new parking placard policy to ensure those with the greatest needs can find the parking stalls they require;
- Following the discontinuation of an accessible taxi service in Edmonton, the ministry continued to offer expertise on an "as required" basis to a working group developing a strategy to restore accessible taxi service in Edmonton; and
- Government owned and leased buildings were surveyed in 2000-01, to determine accessibility requirements.

➤ In 2000-01, a project to evaluate the condition of 23 post-secondary institutions, involving over one hundred buildings commenced. The majority of these audits will be completed by October of 2001.

Ensure the efficient administration of infrastructure construction and maintenance contracts through the use of appropriate technology and innovative management.

➤ In an effort to more effectively advertise public tenders for construction, the ministry piloted the electronic posting of tender notices. In May 2000, all public tenders were advertised on CoolNet. In 2000-01, there was a substantial increase in electronic posting of bid documents for construction projects. A total of 114 transportation projects were posted on CoolNet; 38 were notices of tender offerings and 76 were complete electronic postings with bid documents included. A total of 166 building projects were posted, 77 of which included complete electronic bid documents.

➤ To allow for better planning of resources by the private sector contractors, more than 50 per cent of the 2001-02 secondary and primary highway construction and rehabilitation projects were tendered by November 15, 2000 and another 25 per cent were ready for tender by December 15, 2000.

➤ Requests for proposals were issued on June 15 and September 22 for 17 of the 30 Contract Maintenance Areas (CMAs) where the private sector undertakes highway maintenance work on behalf of the ministry. The previous contracts for these CMAs were set to expire in 2001. All tenders were evaluated based on price (80 per cent), methodology (20 per cent) and corporate capability to manage the CMAs in the long-term. The prices in the new contracts show significant cost per kilometre savings over those received in the initial round of tendering when highway maintenance work was outsourced in 1996.

➤ Assumed responsibility for the management and possible transition to the private sector of the Swan Hills Treatment Centre (SHTC). On December 31, 2000, the SHTC was transferred back to government by the private sector firm operating the plant. Alberta Infrastructure has been overseeing the operation and processing of hazardous waste since that time. A Request for Qualifications/Request for Proposals was advertised in May 2001 to solicit a buyer for the plant.

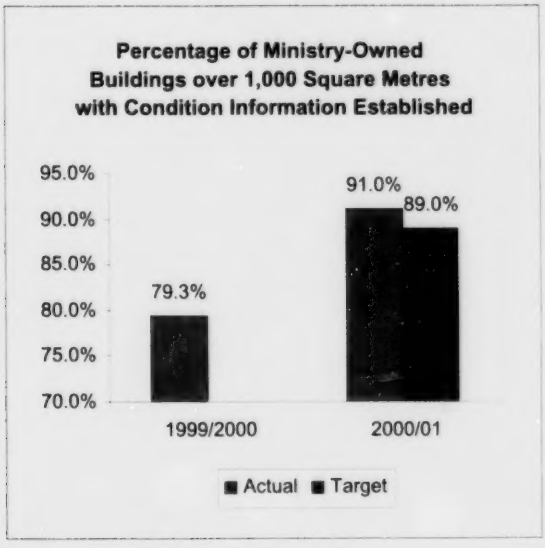
Performance Measure

Progress on the Collection of Facility Condition Information

This measure indicates the percentage of ministry-owned buildings over 1,000 square metres with condition information established. Facility condition is determined by field surveys completed by external consultants and department staff. Condition information is integral in making informed capital and maintenance planning decisions.

Methodology

The collection of facility information is based on the condition rating of active buildings with gross areas over 1,000 square metres. There are a total of 317 buildings that are rated using a comprehensive building evaluation instrument that reflects the experience and the expertise of the building industry and other public jurisdictions. Buildings are reviewed on a five-year cycle using a combination of independent consultants and government staff.



Analysis

The target the ministry was to achieve on this measure was 89 per cent. Based on the results, the ministry has exceeded its target for 2000-01 by establishing condition information on 91 per cent of ministry-owned buildings over 1,000 square metres.

Work has continued in this area towards achieving the target of having condition information established on 100 per cent of ministry-owned buildings over 1,000 square metres by March 31, 2002.

GOAL 3: WORK WITH PARTNERS TO PROVIDE QUALITY INFRASTRUCTURE

One of the ministry's core businesses is to ensure Albertans have access to quality infrastructure. By working with its partners and stakeholders in the review, prioritization and implementation of infrastructure projects, ministry staff continued to ensure basic infrastructure needs are met.

Ensure the best possible quality educational facilities for Alberta students through effective and innovative planning and management of capital learning facility projects.

➤ In partnership with Alberta Learning, new processes were developed to review policy, planning, design proposals, and curriculum and technology impact for post-secondary institutions and schools from Kindergarten to Grade 12.

➤ Condition audits were completed on 1,463 schools owned by school boards in the province and funded by Alberta Infrastructure. The audits found 689 schools in good condition, 639 schools in fair condition and 135 schools in poor condition. The results of the review formed the basis of the New Century Schools Plan and will allow for more accurate financial planning. The Final Audit Report was placed on the Infrastructure web site and a summary report was tabled in the Legislature during the Fall 2000 sitting.

➤ A sub-committee comprising representatives of urban and rural school boards, Alberta Learning and Alberta Infrastructure provided recommendations to the Minister on new ways to calculate the capacity and utilization rates of schools. The proposed method provides a more accurate capacity rating and allows flexibility for the local school jurisdiction to decide how space in a school is modified and used.

➤ During the year ending March 31, 2001, a total of $230 million was provided to school boards to address high-priority requests for new schools and school upgrades. Additionally, $64 million in upgrading and expansion grants were awarded to post-secondary institutions.

➤ An audit of the condition of post-secondary institutions began and its results will form the basis of future capital planning.

University of Alberta Arts Building

Provide funding and support for the construction and upgrading of health facilities and seniors' lodges.

➤ In 2000-01, Alberta Infrastructure upgraded an additional 16 seniors' lodges, bringing the total lodges upgraded to 91. Upgrading of all 121 lodges will be completed by the end of the 2000-2003 business plan period.

➤ As part of the government's investment in health and wellness, the ministry announced $770 million in one-time funding for health care facilities in several communities throughout the province.

➤ The new regional Neonatal Intensive Care Unit at the Royal Alexandra Hospital was opened in May 2000 to service the needs of premature infants from Edmonton as well as central Alberta, western Saskatchewan, eastern British Columbia and the Northwest Territories.

GOAL 3: WORK WITH PARTNERS TO PROVIDE QUALITY INFRASTRUCTURE

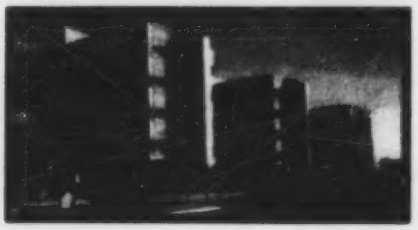
➤ The government continued its focus on improving continuing care with the $22.6 million ($18.9 million from Infrastructure and $3.7 million from Health and Wellness) announcement of the Camrose Continuing Care Capital Project. This project broadens the number of continuing-care options available to the City and County of Camrose by providing 130 new continuing-care spaces and 70 supportive housing spaces built in a total of five buildings, located on four sites.

➤ On February 6, 2001 the government announced $10 million for the planning of two new provincial health research facilities, one at the University of Calgary and the other at the University of Alberta. The estimated total cost of these projects is $220 million. These facilities will give Alberta centres of expertise with worldwide reputations and will attract and retain the best people in their fields. They will also provide world-class care for Albertans through the development of service delivery networks throughout the province.

➤ On January 29, 2000, during his eighth annual televised address, the Premier announced two new Centres of Excellence. The Cardiac Centre in Edmonton will provide surgical facilities for open heart and transplants, coronary care units, ambulatory care clinics, as well as research in transplants, and heart, stroke and vascular biology. The Bone and Joint Centre in Calgary will provide orthopedic surgery, including joint replacement and fracture reduction, chronic pain management, rehabilitation, expertise in prosthetics and orthotics, as well as research in bone and joint disease.

Major projects and initiatives were approved during the year including upgrading, maintaining, replacing and expanding acute care, long-term care and community health facility infrastructure including:

- $328.9 million in Calgary
- $356.9 million in Edmonton
- $75.7 million in Red Deer
- $315.7 million in other areas across the province



University Hospital in Edmonton

Implement the recommendations of the Premier's Task Force on Infrastructure.

➤ Implementation of the recommendations of the Premier's Task Force on Infrastructure made significant changes to the management and funding of Alberta's highway network, including:

- A new financing model for transportation for the cities of Edmonton and Calgary was implemented, where the equivalent of five cents per litre for all taxable gasoline and diesel fuel delivered for sale in those cities was provided in the form of grant funding. Additionally, all other Alberta cities shared in one-time funding of $50 million over three years and continue to receive basic capital funding of $60 per capita;
- The ministry assumed full financial responsibility for construction and maintenance on key primary highways along major trade corridors through cities;
- Successful negotiations resulted in the transfer of secondary highways from urban and rural municipalities to the province; and
- Towns, villages and summer villages also received enhanced funding for street improvements to bring the level of funding in line with that being provided to cities other than Edmonton and Calgary. Eligible hamlets within rural municipalities are now also eligible to receive funding from this program.

Continue to provide funding to support municipal transportation and water/wastewater infrastructure.

➤ The ministry provided funding to over 360 municipalities throughout the province to assist them with their municipal transportation and water/wastewater infrastructure, including:

- $64.3 million in basic capital grants under the Alberta Cities Transportation Partnership;
- $25.5 million to towns, villages, summer villages and hamlets under the Streets Improvement Program;
- $56.7 million through Grants to Rural Municipalities;
- $27.0 million through the Resource Roads/New Industry Program;
- $23.9 million through the Alberta Municipal Water/Wastewater Partnership; and
- $2.5 million for improvements to community airports.

➤ A total of $121.7 million was provided for transportation projects in Edmonton and Calgary. In addition to a number of traffic safety improvements, Edmonton's projects included planning of the south LRT expansion, replacement of the Clover Bar Bridge and upgrading of the Clareview LRT station. Calgary's improvement projects included the interchange at 96 Avenue and Deerfoot Trail, the Macleod Trail and Anderson Road interchange and four-laning of Barlow Trail.

➤ The ministry also succeeded in completing a number of key transportation initiatives, such as:

- The development of a reporting and monitoring system for fuel sales in conjunction with Alberta Finance;
- The negotiation and finalization of agreements for the transfer of key trade highways through five cities on the North-South Trade Corridor route; and
- The development of a joint proposal with Edmonton and Calgary for federal participation in funding Light Rail Transit (LRT).

➤ An agreement for the Infrastructure Canada/ Alberta Program (ICAP) was signed in October 2000. The program announced $513 million to enhance the infrastructure in rural and urban municipalities in Alberta over the next six years. Projects eligible under ICAP include green municipal infrastructure (water supply and treatment, reservoirs and wastewater treatment facilities) as well as infrastructure supporting transportation, culture and recreation, tourism, rural and remote telecommunications, high-speed internet access for local public institutions and local affordable housing. ICAP is administered by a Management Committee whose membership includes two federal, two provincial and two municipal representatives. Projects will be funded on a cost-shared basis (approximately 1/3, 1/3, 1/3) by federal, provincial and municipal governments. Alberta's contribution to the program over the next six years will be $171 million.

➤ The Alberta Municipal Water/Wastewater Partnership funded water treatment projects such as the Anthony Henday water treatment plant upgrade for the Mountain View Regional Water Services Commission, the Chipewyan Lake water treatment plant, and the Valleyview water treatment plant. Major wastewater projects were funded for locations such as the Hamlet of Wabasca-Desmarais, and the Towns of Banff and Strathmore.

➤ The Streets Improvement Program funded such projects as the pavement overlay and concrete sidewalk in Grande Cache, service road construction in Red Earth, curb and gutter paving in Vermilion, intersection improvements, pavement overlays and street lights in Drumheller, reconstruction paving of 55th Street in Edson and street upgrades to 50th Street in Taber. In addition, numerous other street projects throughout the province were undertaken.

➤ Major projects funded by the Basic Capital Grant and Supplementary Special Transportation Grant components of the Alberta Cities Transportation Partnerships to cities other than Calgary and Edmonton included road rehabilitation in Grande Prairie, Airdrie, Leduc, Fort Saskatchewan, Llyodminster and Wetaskiwin, the widening of Highway 13 in Camrose and the twinning of Grove Drive in Spruce Grove. Other projects include bus purchases and a transit garage in St. Albert, as well as bus purchases and a park and ride bus terminal in Sherwood Park, bridge deck rehabilitation and replacement in Red Deer, and pavement overlays in Medicine Hat.

Protect the integrity and effectiveness of water management infrastructure in partnership with Alberta Environment.

➤ Commenced construction of the Little Bow River Dam and completed construction of the Clear Lake Diversion. The total construction cost was $7.5 million for this fiscal year. When completed, the $90 million Little Bow Project will ensure a supply of water for existing irrigation in the vicinity of Champion and Carmangay, as well as expansion of irrigation, and for numerous communities and individual farmsteads. It will also restore the water levels in Clear Lake for recreation and irrigation expansion.

➤ The $12.2 million East Arrowwood Syphon Replacement Project and the $57.0 million St. Mary Dam Spillway Replacement Project were both completed in 2000-01, ensuring a continued supply of water to extensive areas of southern Alberta.

➤ The South Heart River Dam Project also got underway with more than half the rehabilitation work completed this fiscal year at a construction cost of $2.3 million. When completed, this rehabilitation project, estimated to cost $6.2 million, will ensure a continued supply of water to several communities in northern Alberta.

Support the Government's Aboriginal Policy Initiative.

➤ Ministry staff actively participated on cross-ministry committees and provided input into the development of the Aboriginal Policy Initiative.

➤ Aboriginal participation in projects was encouraged by including clauses for the provision of Aboriginal labour, equipment and material resource supply in five construction contracts that occur on Aboriginal lands.

➤ The ministry developed Aboriginal Participation Guidelines on how staff should proceed with construction contracts that occur on Aboriginal lands.

➤ During the fiscal year, $18.5 million was spent in relation to projects undertaken on Aboriginal lands. These transportation and water management projects provided economic opportunities for the Blood, Siksika, Bigstone, Enoch and Stoney First Nations.

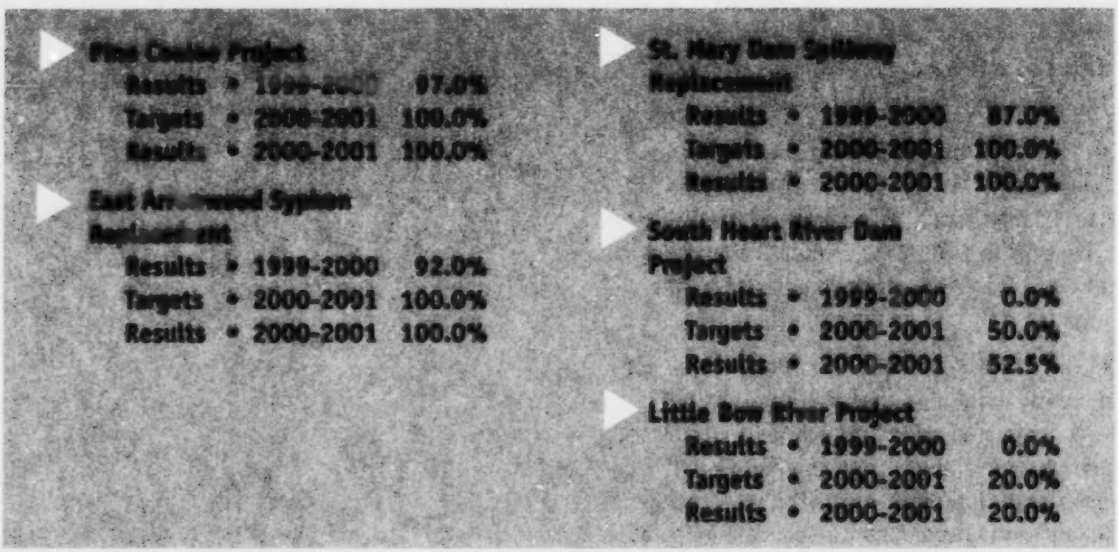
Performance Measures

Progress on Completion of Major Water Management Construction Projects

This measure is based on the percentage of total estimated construction costs paid to contractors, reflecting construction progress on each project. Activities including design, land acquisition (where required) and obtaining regulatory approvals, precede the construction phase of each project.

Methodology

The percentage for this measure is calculated by taking the Total Estimated Construction costs paid to contractors versus the Total Construction Expenditures, reflecting construction progress on each project.


Pine Coulee Project
Results • 1999-2000 97.0%
Targets • 2000-2001 100.0%
Results • 2000-2001 100.0%
East Arrowwood Syphon Replacement
Results • 1999-2000 92.0%
Targets • 2000-2001 100.0%
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Targets • 2000-2001 100.0%
Results • 2000-2001 100.0%
South Heart River Dam Project
Results • 1999-2000 0.0%
Targets • 2000-2001 50.0%
Results • 2000-2001 52.5%
Little Bow River Project
Results • 1999-2000 0.0%
Targets • 2000-2001 20.0%
Results • 2000-2001 20.0%

Analysis

The target for the St. Mary Dam Spillway Replacement Project was met. The project was completed under budget and as a result, some minor post-construction work, which was identified towards the end of the project, was added and funded within the approved budget.

The target for the Little Bow River Project was met. Due to tender prices being lower than forecasted, it resulted in cost savings on construction for the ministry. The total estimated construction cost has been adjusted by $4,550,000 for the 2000-01 fiscal year, due to the savings. However, the original total estimated construction cost of $42,200,000 remains as the budget for the remainder of the Little Bow River Project.

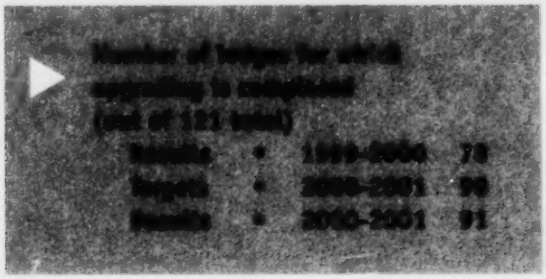
Based on the results for the Pine Coulee project and the East Arrowwood Syphon Replacement project, the ministry met its target of 100 per cent completion. Regarding the South Heart River Dam Project, the ministry has exceeded its target of 50 per cent completion.

Seniors' Lodge Upgrading Projects Completed

This measure is calculated by determining the number of seniors' lodges for which upgrading is complete. The data presented represents the cumulative number of lodges upgraded.

Methodology

Projects are considered complete when letters of interim acceptance are provided to the contractor, or once the final grant payment is issued to the lodge foundation. These are then added to the previous year's total for a cumulative result.



Analysis

Based on the number of interim acceptance letters received in the fiscal year ending March 31, 2001, 91 of the total 121 lodges had been completed. For this particular measure the department has exceeded its target.

Effectiveness of Water and Wastewater Treatment Facilities

The data sources used as background for this measure could not be relied upon and as such, the ministry was unable to control or effectively audit the data received by the external party relating to this measure. As a result, the ministry decided to remove it from future business plans.

Performance Measures

Progress on Completion of Major Water Management Construction Projects

This measure is based on the percentage of total estimated construction costs paid to contractors, reflecting construction progress on each project. Activities including design, land acquisition (where required) and obtaining regulatory approvals, precede the construction phase of each project.

Methodology

The percentage for this measure is calculated by taking the Total Estimated Construction costs paid to contractors versus the Total Construction Expenditures, reflecting construction progress on each project.

Pine Coulee Project

Results	1999-2000	97.0%
Targets	2000-2001	100.0%
Results	2000-2001	100.0%

East Arrowwood Syphon Replacement

Results	1999-2000	92.0%
Targets	2000-2001	100.0%
Results	2000-2001	100.0%

St. Mary Dam Spillway Replacement

Results	1999-2000	87.0%
Targets	2000-2001	100.0%
Results	2000-2001	100.0%

South Heart River Dam Project

Results	1999-2000	0.0%
Targets	2000-2001	50.0%
Results	2000-2001	52.5%

Little Bow River Project

Results	1999-2000	0.0%
Targets	2000-2001	20.0%
Results	2000-2001	20.0%

Analysis

The target for the St. Mary Dam Spillway Replacement Project was met. The project was completed under budget and as a result, some minor post-construction work, which was identified towards the end of the project, was added and funded within the approved budget.

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Number of lodges for which upgrading is completed (out of 121 total)

Results	•	**1999-2000**	**78**
Targets	•	**2000-2001**	**90**
Results	•	**2000-2001**	**91**

Analysis

Based on the number of interim acceptance letters received in the fiscal year ending March 31, 2001, 91 of the total 121 lodges had been completed. For this particular measure the department has exceeded its target.

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The data sources used as background for this measure could not be relied upon and as such, the ministry was unable to control or effectively audit the data received by the external party relating to this measure. As a result, the ministry decided to remove it from future business plans.

GOAL 4: IMPROVE THE MANAGEMENT OF PROVINCIAL TRANSPORTATION INFRASTRUCTURE

Improve transportation infrastructure in response to current and anticipated increases in the movement of people and goods resulting from enhanced economic activities.

➤ The ministry has taken over complete financial responsibility for all secondary highways. Transitional agreements regarding management of secondary highways are in place. Recent re-tendering of highway maintenance contracts includes secondary highways as well, which resulted in substantial cost savings per kilometre.

➤ The 24th annual Highway Clean-up program took place on May 6, 2000. More than 11,000 participants from 411 not-for-profit community organizations filled close to 36,000 garbage bags while cleaning 6,000 kilometres of primary highway ditches around the province.

➤ Undertook a detailed review of illumination at highway intersections and developed a proposed new system in response to requests from municipalities and the public.

➤ Developed a travel-forecasting model for Edmonton regional traffic that will provide better needs assessment data to be utilized in the programming process. The Edmonton model will be operational in 2001 and the development of a Calgary model has commenced.

➤ An Intelligent Transportation Systems Strategic Plan was developed that will set future directions and strategies for the ministry to deploy advanced technologies to help improve the safety and efficiency of the provincial highway system.

Protect the integrity of the highway infrastructure through the timely maintenance and rehabilitation of roads and bridges.

Primary Highway System

The ministry successfully delivered the 2000-01 portion of the three-year primary highway construction and rehabilitation program as tabled in the Legislature in February 2000. During the year, the following key construction projects were undertaken:

➤ Highway 2: North of Secondary Highway 672 to North of Highway 43 - completion of four-laning totaling $3.7 million.

➤ Highway 2A: Town of Okotoks, South of Sheep River to North of Okotoks - four-laning totaling $6.3 million. Project was opened for traffic, but will require another lift of pavement in 2001.

➤ Highway 2A: Highway 42 to North of McKenzie Road - reconstruction totaling $4.7 million.

➤ Highway 15: West of Fort Saskatchewan to East of Secondary Highway 830 - completion from last year of four-laning totaling $3.2 million.

➤ Highway 35: Bridge Structure over the Whitemud River, near Dixonville - replace existing structure totaling $1.6 million.

➤ Highway 22: Black Diamond to Secondary Highway 549(E) - reconstruction totaling $5.1 million with completion carried over into year 2001 for final lift of pavement.

➤ Highway 49: Bridge Structure over the Little Smoky River, near Guy - replace existing structure totaling $5.1 million.

➤ Highway 53: Highway 22 to West of Medicine River - base paving totaling $3.3 million.

➤ Highway 60: Secondary Highway 627 to Secondary Highway 628 - four-laning totaling $6.9 million with completion carried over into year 2001.

➤ Highway 63: South of Fort McMurray North City Limit to North of Suncor Access - four laning, totaling $21.2 million.

➤ Highway 901: West Boundary Siksika Indian Reserve to Highway 1 - base paving totaling $5.1 million.

Several key rehabilitation projects commenced in 2000-01:

➤ Highway 1: Highway 36 to East of Brooks - totaling $3.2 million.

➤ Highway 12: Consort to Highway 41 - totaling $2.7 million.

➤ Highway 16: East of Highway 32 to East of Wildwood - totaling $3.6 million.

➤ Highway 21: North of Armena to South of New Sarepta - totaling $3.6 million.

➤ Highway 32: Bridge structure over the McLeod River near Peers - bridge rehabilitation totaling $0.9 million.

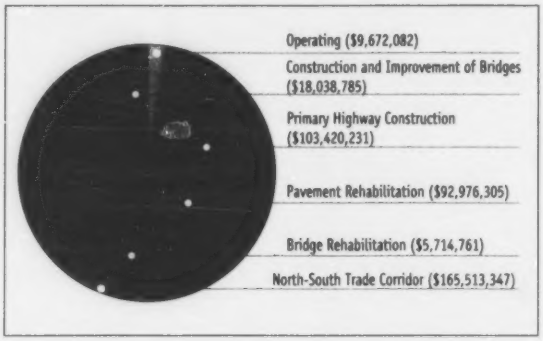
➤ Highway 33: South of 18th Baseline to Island Creek - totaling $3.8 million.

➤ Highway 36: Bow River to Secondary Highway 539 - totaling $3.3 million.

➤ Highway 59: LaGlace to Highway 2 - totaling $3.2 million.

➤ Highway 100: Edmonton East Corporate Limit to East of Hulbert Crescent - totaling $2.8 million.

The following chart shows the dollars spent on primary highway construction and rehabilitation:



Secondary Highway System

The following are some of the major projects funded under the Secondary Highway Program:

➤ Highway 44: 04 (formerly Secondary Highway 794) South of Sturgeon River to Secondary Highway 642 - reconstruction totaling $6.1 million, with completion of final lift of pavement carried over to 2001.

➤ Secondary Highway 609: Highway 56 to Rosalind - base and paving totaling $2.6 million.

➤ Secondary Highway 611: Highway 20 to Secondary Highway 792 - final paving totaling $3.0 million.

➤ Secondary Highway 666: Wapiti Gas Plant to Grovedale - pavement overlay totaling $2.5 million.

➤ Secondary Highway 685: Secondary Highway 729 to Hines Creek - base and paving totaling $2.2 million.

➤ Secondary Highway 753: Municipal District Boundary to Bigoray River - grading totaling $3.3 million.

➤ Secondary Highway 845: North of Raymond to Highway 4 - reconstruction totaling $3.7 million.

➤ Secondary Highway 864: bridge structure over Oldman River - replacement totaling $5.0 million with completion carried over to 2001.

➤ Secondary Highway 875: Rolling Hills to Highway 1 - pavement overlay totaling $2.6 million.

➤ Secondary Highway 881: Secondary Highway 858 to South of Heart Lake Indian Reserve - base and paving totaling $3.2 million.

Ensure a sustainable transportation system in an era of climate change through active participation in climate change initiatives.

➤ Contributed to climate change strategies at both the provincial and national levels. Working with Alberta Environment, staff assisted in formulating the Alberta Climate Change Business Plan.

➤ The ministry also contributed to the provincial greenhouse gas emission reduction program as it relates to buildings. Through energy management initiatives, such as retro-fitting, relamping and energy performance audits, the ministry was able to reduce its consumption of energy by approximately 34 megajoules per square metre in 2000-01.

➤ With transportation activity emissions being the main climate change issue for the ministry, staff developed a joint proposal between the province, Edmonton, and Calgary for federal participation in funding Light Rail Transit (LRT). The proposal was sent to the federal government before April 30, 2000, well ahead of the goal date of June 30, 2000.

Performance Measures

Traffic Capacity on Rural Highways

The business plan targets and prior results for this performance measure were based on the 1994 version of the U.S. Transportation Research Board's Highway Capacity Manual. This manual, which is the international standard for measuring highway capacity, was updated in 2000. The 2000 version has a higher acceptability of traffic congestion than the 1994 version. This is in recognition of higher congestion levels that are being experienced internationally. For the purposes of this annual report, we will be reporting the preliminary results of this performance measure based on the 1994 manual. However, in future business plans and annual reports, the results of this measure will be based on the 2000 manual. This will allow the ministry to compare its results to other international jurisdictions. The results based on both the 1994 and 2000 manual are presented below:

Methodology

This measure is defined as the percentage (excluding urban and urban fringe sections) of national highways providing a level of service rated at B or better, and the percentage of other highways providing a level of service rated at C or better, on a scale of A to F. Level of Service (LOS) is an international standard used to measure the ability of traffic to move freely, with A being the least congested and F representing a breakdown of traffic flow. This measure is calculated using a base of approximately 12,000 kilometres of highway.

Traffic capacity was calculated using traffic volume data (for peak-hour volumes) collected along the highway network throughout the province. Intersection counts were also performed to determine the types of vehicles using each section of highway. This data was used to calculate traffic capacity ratings for each section of highway as per the 2000 U.S. Transportation Research Board's (TRB) Highway Capacity Manual. Levels of service were defined as follows:

A. Vehicles almost completely unimpeded.

B. Ability to maneuver within traffic is only slightly restricted.

C. Freedom to maneuver within traffic is noticeably restricted.

D. Freedom to maneuver is severely limited.

E. Boundary between levels D and E describes operation at capacity. Virtually no usable gaps in traffic.

F. Breakdown or bottleneck with queuing.

Because of the significance of national highways in terms of interprovincial and international trade and travel, the minimum level chosen to report their traffic capacity was level B.

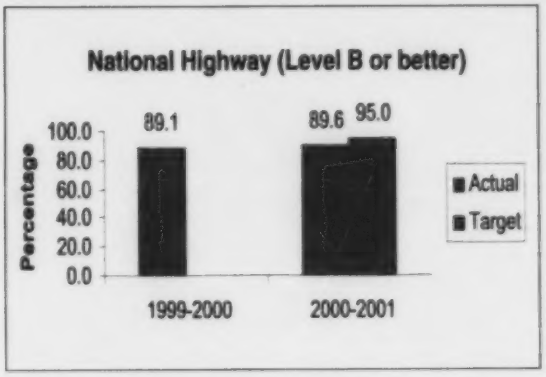
GOAL 4: IMPROVE THE MANAGEMENT OF PROVINCIAL TRANSPORTATION INFRASTRUCTURE

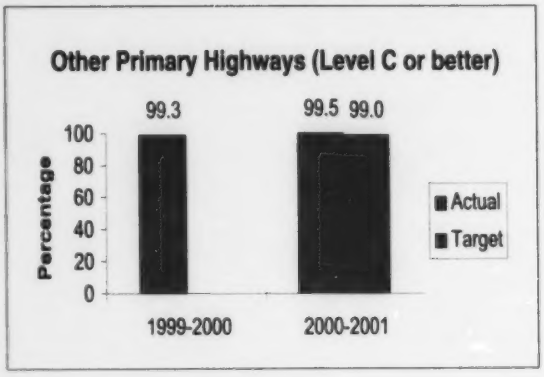
The rural National Highway System (NHS) consists of existing primary routes that provide for interprovincial and international trade by connecting as directly as possible a capital city or major provincial/commercial centre with:

- Another capital city or major population/commercial centre;
- A major port entry or exit to the U.S. highway network; or
- Another transportation mode served directly by the highway mode.

The National Highway System in Alberta consists of the rural North-South Trade Corridor, TransCanada Highway 1, Highway 2 (Fort Macleod to Edmonton and Falher to west of Peace River), Highway 3, 4, and 9, Yellowhead, Highway 16, and Highways 35, 43, and 49 (Valleyview to Falher). The rural National Highway System excludes the urban and urban fringe segments of the above highways.

Preliminary results based on the 1994 U.S. Transportation Research Board's Highway Capacity Manual[1]:





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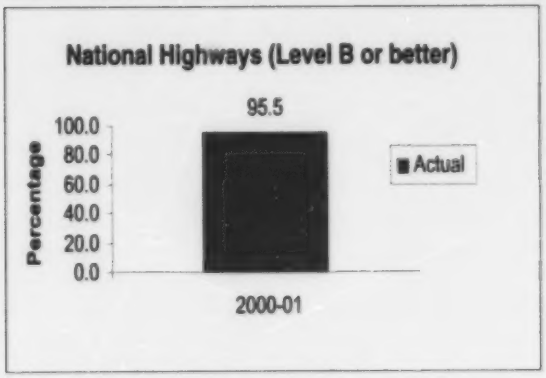
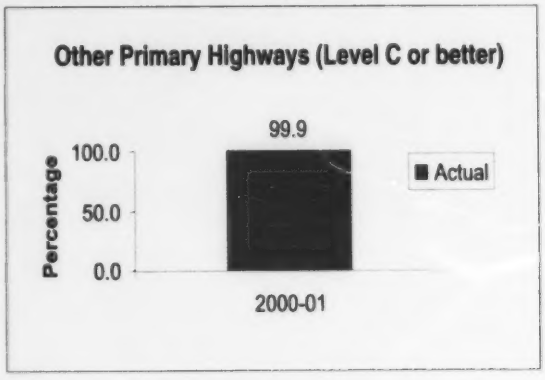




[1] The Other Primary Highways graph does not include secondary highways because the ministry did not have responsibility for these highways when this performance measure was developed. This measure will be adjusted to account for this in future business plans.

Goal 4: Improve the Management of Provincial Transportation Infrastructure

Analysis:

Based on the 1994 manual, the ministry has exceeded its target for other primary highways but did not meet its target for national highways. Long-term efforts to improve traffic capacity levels will continue with initiatives such as the North-South Trade Corridor.

For the 2000-03 Business Plan, the measure for traffic capacity has been revised as a result of the province taking over secondary highways. The new measure will use the new Transportation Research Board manual and will evaluate all provincial highways, including secondary highways. Data for level of service for secondary highways is under review.

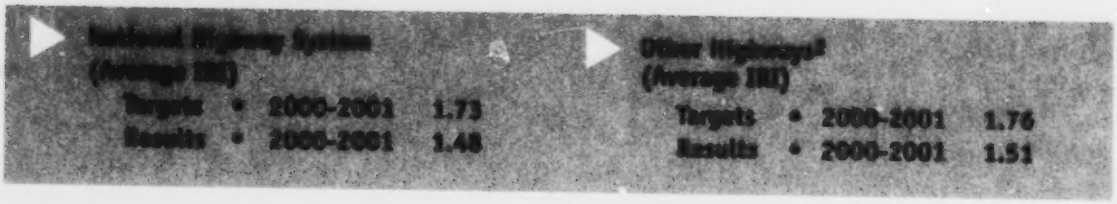
Highway Pavement Condition

This measure is an indicator of the riding comfort for the traveling public on highways under provincial jurisdiction, as measured by the International Roughness Index (IRI). By sustaining pavement quality through regular rehabilitation, the total life cycle cost of the highway system will be reduced.

Methodology

A lower IRI rating indicates better pavement condition. By sustaining pavement quality through regular rehabilitation, the total life cycle cost of the highway systems will be reduced.

For reference purposes, the U.S. Federal Highway Administration has established benchmarks for IRI. U.S. interstate highways represent the equivalent of our national highways. Generally speaking, non-interstate highways can be compared with Alberta's other primary highways.



Analysis:

Based on the results, we have exceeded our targets for 2000-01. For this measure the ministry uses the average IRI, which measures pavement roughness, for the National Highway System (NHS) and for other highways. The average IRI value is indicative of the average condition of Alberta's highway network.

IRI Rating	National Highways (U.S. Interstate)	Primary Highways (Non-Interstate)
Poor	1.90 or greater	2.70 or greater
Fair	1.50 to 1.89	1.50 to 2.69
Good	Less than 1.49	Less than 1.49

[2]This category does not include secondary highways because the ministry did not have responsibility for these highways when this performance measure was developed. This measure will be adjusted to account for this in future business plans.

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National Highway System (Average IRI)

- **Targets** • **2000-2001** **1.73**
- **Results** • **2000-2001** **1.48**

Other Highways[2] (Average IRI)

- **Targets** • **2000-2001** **1.76**
- **Results** • **2000-2001** **1.51**

Analysis:

Based on the results, we have exceeded our targets for 2000-01. For this measure the ministry uses the average IRI, which measures pavement roughness, for the National Highway System (NHS) and for other highways. The average IRI value is indicative of the average condition of Alberta's highway network.

IRI Rating	National Highways (U.S. Interstate)	Primary Highways (Non-Interstate)
Poor	1.90 or greater	2.70 or greater
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Good	Less than 1.49	Less than 1.49

[2]This category does not include secondary highways because the ministry did not have responsibility for these highways when this performance measure was developed. This measure will be adjusted to account for this in future business plans.

GOAL 5: IMPROVE ACCESS TO GLOBAL MARKETS

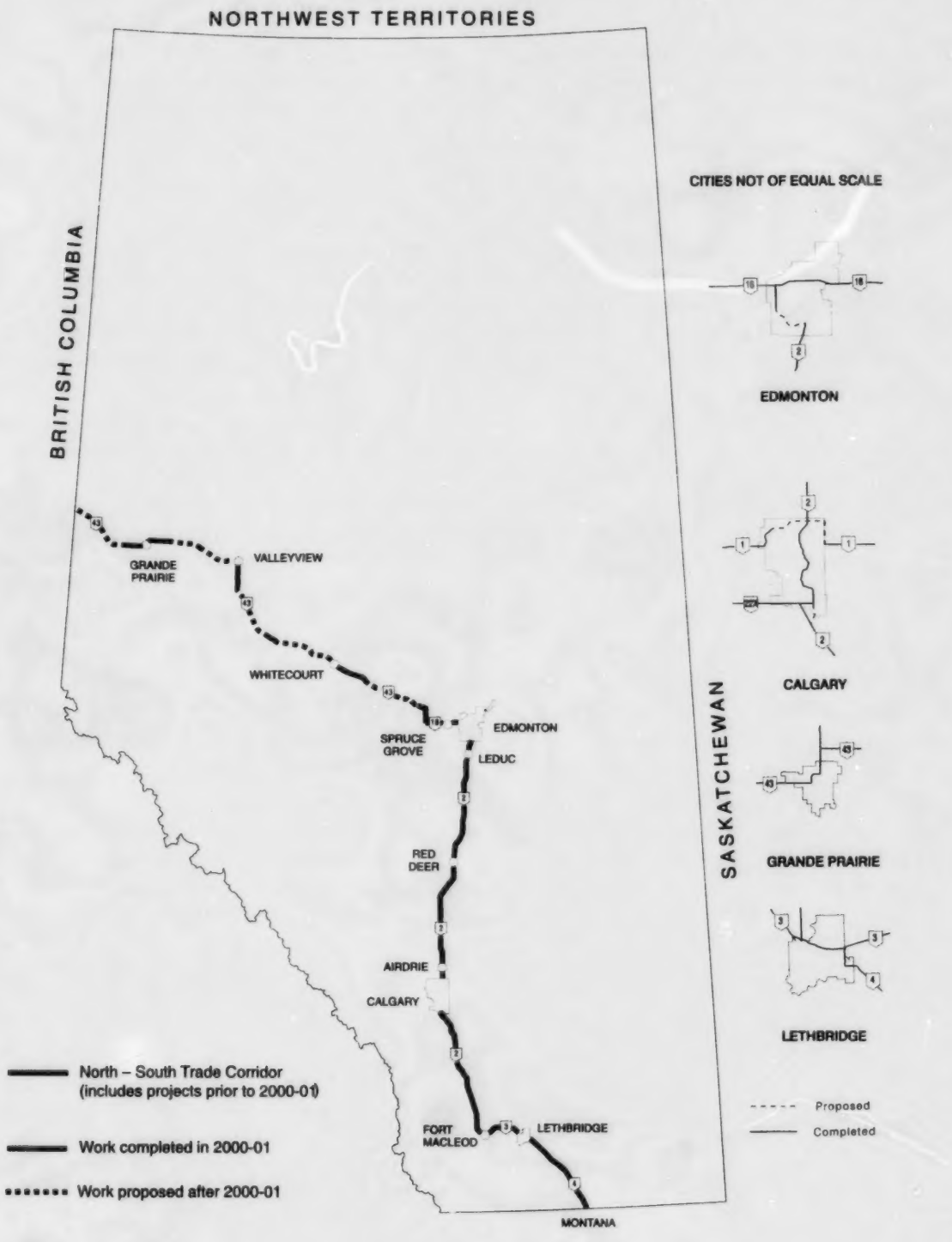
Increase international market access for Alberta commodities through more efficient use of intermodal services and port facilities.

➤ Continued to secure agreement among CANAMEX (Canada/America/Mexico Trade Corridor) trading partners to increase vehicle weights and dimensions to promote and support growing North American Free Trade Agreement (NAFTA) trade. Held meetings with the U.S. Federal Highway Administration, CANAMEX state governments, and several Mexican states to promote the Alberta proposal to harmonize weight and dimension standards for motor carriers. The ministry's efforts for the harmonization of weights and dimensions for all commercial vehicles using the 6,000 kilometre corridor (that runs from Mexico City through Arizona, Nevada, Utah, Idaho and Montana to Alberta's North-South Trade Corridor, connecting to the Alaska Highway at the B.C./ Alberta border) will increase economic efficiency, safety and benefit trade, tourism and rural telecommunications in the long term.

➤ Alberta Infrastructure and Alberta International and Intergovernmental Relations successfully conferred with Montana officials to exempt Alberta contractors from proposed Montana procurement legislation that would restrict non-U.S. entities from competing for Montana construction contracts.

➤ Hosted the Transportation Association of Canada's Annual National Conference, aimed at improving access to technical information, planning tools, and discussing issues surrounding trade, tourism and new technologies. The conference was a success, attracting nearly 700 registered delegates and partners – the best attendance in the past 10 years. Overwhelmingly positive feedback was received from participants, the Association, and ministers and deputy ministers from other provinces. The ministry collaborated with area municipalities, including the City of Edmonton and the County of Strathcona, on organizing an excellent program for delegates and spouses that took advantage of many highlights of the surrounding area. As well, a 26-minute video, showcasing the transportation highlights from the past century, was produced for the conference and received high praise from both delegates and many Albertans as well. In fact, the tremendous success of the video resulted in copies being provided to the ministry's stakeholders, municipalities, school boards, museums, libraries, and seniors' lodges.

➤ Also hosted the Council of Ministers and Deputy Ministers Responsible for Transportation and Highway Safety to discuss and address national policy and program issues. Topics included the development of a National Highway Program, national vehicle weight and dimension standards for commercial vehicles, and many others.


NORTHWEST TERRITORIES
BRITISH COLUMBIA
SASKATCHEWAN
MONTANA
GRANDE PRAIRIE
VALLEYVIEW
WHITECOURT
SPRUCE GROVE
EDMONTON
LEDUC
RED DEER
AIRDRIE
CALGARY
FORT MACLEOD
LETHBRIDGE
CITIES NOT OF EQUAL SCALE
EDMONTON
CALGARY
GRANDE PRAIRIE
LETHBRIDGE
North – South Trade Corridor (includes projects prior to 2000-01)
Work completed in 2000-01
Work proposed after 2000-01
Proposed
Completed

Ensure Alberta's access to national and international markets through the development of the North-South Trade Corridor.

➤ In keeping with the province's economic development strategy, twinning of the North-South Trade Corridor, which extends from Coutts at the Alberta-United States border to the British Columbia border east of Grande Prairie, continued to be a priority for the ministry.

➤ Significant progress was achieved to meet the goal of substantially completing the four-laning of this corridor by 2007. This year, a total of 142.6 kilometres of new four-laning was opened to traffic.

Some of the key projects on the rural portion include:

➤ Three projects and a total of 45 kilometres of four-lane base and staged paving on Highway 4 were opened for traffic. This leaves only one project near Milk River to be finished to complete this leg of the corridor.

➤ A four-lane grade, base, and staged paving project on Highway 43 west of Grande Prairie was opened to traffic.

➤ Two projects and a total of 25 kilometres of four-lane grade, base, and staged paving on Highway 43 between Highway 2 and Valleyview were opened to traffic.

➤ Two projects totaling 48 kilometres of four-lane base and staged paving on Highway 43 between Valleyview and Whitecourt were opened to traffic.

➤ A 13 kilometre four-lane grade, base, and staged paving project on Highway 43 west of Whitecourt was opened to traffic.

➤ Significant progress was made on dividing the existing four-laning of Highway 2 from north of Highway 23 to south of Auction Mart Access. Work included bridge structures over the rail line, which will carry over into 2001.

➤ The new bridge structure over the Athabasca River on Highway 43 was completed. Traffic will be diverted over this new structure when the four-laning is completed in 2001.

➤ Significant progress was made on a new bridge structure over the McLeod River on Highway 43. Completion is expected in 2001.

Improve access to key markets through the preservation and development of Canada's National Highway System.

➤ Ministry staff continued to work in collaboration with other provinces and the federal government to obtain a commitment from the federal government for a National Highway Program. Over the last decade, Alberta Transportation worked with other provinces, territories and Transport Canada to define a national highway system and assess the needs to maintain and upgrade this system. The National Highway System, comprising major inter-provincial and international highway routes, is essential for Canada to maintain its trade competitiveness, improve productivity and safety, and promote economic development and tourism. It has been estimated that a total of $17 billion in investment is needed to bring the national system to an acceptable standard. Alberta Infrastructure (now Alberta Transportation) and other provinces and territories continued to call upon the federal government to establish a national strategy on transportation investment. As of 2001, Canada was the only G-7 country without such a national strategy.

Improve the air transportation system for both cargo and passengers to ensure efficient and effective market access.

➤ Provided support to the Alberta Economic Development Authority (AEDA) to oversee the Alberta Aviation Strategy Initiative. Funded a consultant evaluation of a draft Alberta Aviation Strategy, held meetings with stakeholders to gather input, and assisted AEDA in drafting a provincial aviation action plan. Task teams also refined action plans in the areas of government policies, financial sustainability of the aviation system, business strategies, information technology and market intelligence.

➤ Provided a comprehensive position paper to the *Canada Transportation Act* Review Panel, which focused on airline restructuring, rail/shipper access and accessibility for persons with disabilities. This is subsequent to consultations by the Alberta Economic Development Authority. The main recommendations included strengthening shipper-access provisions to improve competition, allowing foreign-owned airlines to operate within Canada to counter the dominant position of Air Canada, and mandating free travel on all modes of transportation for attendants accompanying persons with disabilities.

Performance Measure

Construction Progress on the North-South Trade Corridor

This measure is defined as the percentage of the North-South Trade Corridor that is twinned and open to travel. The North-South Trade Corridor consists of 1,175 kilometres of highway, of which nearly 100 kilometres are within cities.

Methodology

Targets for this measure are set based on substantially completing the twinning of the North-South Trade Corridor by 2007. The percentage is calculated by the number of kilometres twinned versus the project as a whole. Weather and funding availability are factors that may hinder the construction progress.

Analysis

Currently 69.2 per cent of the project is completed with the department exceeding its target of 69 per cent. During the fiscal year April 1, 2000 to March 31, 2001, 142.6 kilometres were twinned and opened for travel. As of March 31, 2001, 812.6 kilometres of the corridor had been completed.

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Percentage open to travel			
Results	•	**1999-2000**	**57.0%**
Target	•	**2000-2001**	**69.0%**
Results	•	**2000-2001**	**69.2%**

Methodology

Targets for this measure are set based on substantially completing the twinning of the North-South Trade Corridor by 2007. The percentage is calculated by the number of kilometres twinned versus the project as a whole. Weather and funding availability are factors that may hinder the construction progress.

Analysis

Currently 69.2 per cent of the project is completed with the department exceeding its target of 69 per cent. During the fiscal year April 1, 2000 to March 31, 2001, 142.6 kilometres were twinned and opened for travel. As of March 31, 2001, 812.6 kilometres of the corridor had been completed.

GOAL 6: INCREASE THE EFFECTIVENESS AND EFFICIENCY OF CENTRAL GOVERNMENT SERVICES

Provide necessary government work and program delivery space and effectively manage government buildings.

➤ Established a Federal Building Review Committee to develop a plan for private sector participation in the redevelopment and long-term operation of the Federal Building. Proposals were received and reviewed, with a decision pending as of March 31, 2001.

➤ A new trial courtroom was developed in the Edmonton Law Courts Building. This large, high-security trial courtroom can accommodate up to 40 accused and their lawyers. The trial courtroom project was awarded the Premier's Award of Excellence - Bronze. The project created a highly technical, unique and daring design that will serve Albertans for many years.

➤ A Calgary Court Strategy is being developed to address court facilities that are crowded and physically separated. Existing facilities are scattered around downtown Calgary in six separate locations. Consolidating these facilities would eliminate unnecessary duplication and other operational inefficiencies.

➤ Substantially completed the approved corporate accommodation plan for all ministries. Of the 14 projects, 12 were completed by fiscal year end, with the additional two to be completed by July 31, 2001. Accommodation requirements of the Alberta Corporate Service Centre were also evaluated in the overall government accommodation strategy.

➤ Continued with the accelerated disposal of surplus property and met the target of selling $35 million of surplus property by March 31, 2001. Additionally, $83 million worth of property was released for sale.

➤ Completed energy audits of buildings over 1,000 square metres. Alberta Infrastructure continued to establish energy performance contracts whereby the vendor is paid using savings accrued from energy improvements made to buildings.

➤ Through a Request for Proposals process, established a contract for electrical power for government-owned properties for a four-year term, ensuring stabilized pricing for the contract period.

Provide safe, reliable and cost-effective government transportation services.

➤ Air Transportation Services (ATS) continued to enjoy a zero accident rate. In the 2000-01 fiscal year, only five departures were delayed longer than 15 minutes after the arrival of passengers at the airport. With more than 1,717 flights over the year, 99.7 per cent of flights departed within 15 minutes of scheduled departure. ATS rates continued to be comparable to charter rates for similar aircraft.

➤ The ministry continued to oversee the efficiency of direct fleet vehicle services to all government departments, boards and agencies. With the outsourcing of the Central Vehicle Operations (CVO) in 1998, the ministry also continued to divest itself of government light duty vehicles by obtaining its requirements through leases from the private sector. The CVO fleet included 1,485 leased vehicles and 1,690 CVO vehicles for a total of 3,175 vehicles.

➤ Executive Vehicle Operations provided an economically efficient administration of 55 vehicles assigned to eligible officials.

Provide efficient, cost-effective and timely procurement services to other government ministries.

➤ All outstanding provincial obligations under the Agreement on Internal Trade (AIT), Procurement Chapter 5 were completed with the formation of a Bid Protest Review Panel Roster. The AIT provides a dispute resolution mechanism that is open to businesses and provincial-territorial-federal governments who have complaints against the procurement practices of a party to the AIT. A panel of impartial individuals was set up to investigate and hear any formal registered complaints. To date, the province has been successful in resolving any inquiries raised under the procurement provisions of the AIT through effective consultation.

➤ Alberta Infrastructure conducted "How to Sell to Government" seminars to private sector businesses. This enabled the department to continue to partner with the three levels of government to provide an awareness of the Agreement on Internal Trade in relation to how provincial, municipal and federal governments in Alberta purchase their goods, services and construction.

➤ The ministry partnered with the City of Calgary in developing and implementing electronic transfer of abandoned vehicle information, eliminating duplication of data entry.

Performance Measures

Energy Consumption per Square Metre

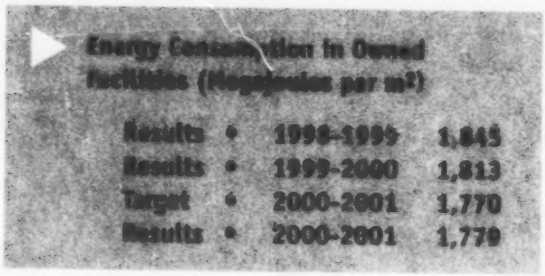
This measure shows the average energy consumption in government owned facilities over a 12-month calendar period and is an indicator of how efficiently energy is being used by the facilities.

Methodology

The ministry uses the Energy Consumption Reporting System to electronically track and measure annual power and gas consumption for all owned buildings using the Building Energy Performance Index (BEPI). To calculate the BEPI, the total annual energy consumption for each building is converted to one common unit (megajoules) and divided by the area of the buildings in square metres. This is consistent with industry practice. The overall performance measure is an average based on total annual consumption for all buildings divided by total gross square metres.

To minimize distortion due to changing climate conditions and allow for comparisons from year-to-year, the energy total is adjusted for weather variances using monthly actual temperatures to average temperatures. The degree/day adjustment factor calculation was refined in 1998/99 and this is reflected in the results in following years.

This year the measure is based on a 12-month calendar year, while prior years were based on a fiscal year.


Energy Consumption in Owned Facilities (Megajoules per m²)
Results • 1998-1999 1,845
Results • 1999-2000 1,813
Target • 2000-2001 1,770
Results • 2000-2001 1,779

Analysis:

Based on the results, we are within 0.5 per cent of the target. The results over the past three years show that there has been an overall reduction in the levels of energy consumption.

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Operating Cost per Square Metre

This measure provides a comparison of the average annual operating cost per square metre of all Alberta Infrastructure owned and operated office buildings to the industry standard. The Alberta industry standard will be determined using the results of a national survey undertaken every two years and taking information on comparable office buildings operated in Alberta, by both the public and private sectors. For those years where no survey is undertaken, the results from the prior year will be used and adjusted for variances in the energy costs.

Methodology

This measure is calculated using rentable metres instead of gross metres. Rentable metres excludes the basement, vertical penetrations, external walls and interior parking. The methodology in the calculations is based on the methodology of the Facilities Management Services Benchmarks survey.

The methodology for this measure has changed significantly from the original measure, which appeared in the 2000-03 business plan. The results for ministry owned and operated office buildings are calculated using all owned government buildings instead of using only four or five buildings included as part of the national survey. This change has meant that the results for this year cannot be compared to the targets and results from previous years, which are stated in the 2000-03 business plan.

	Results 2000-01
Industry Operating Cost per m^2	**$98.31**
Average operating cost per m^2 of all office buildings owned and operated by Alberta Infrastructure	**$72.66**

Analysis

In 2000-01 the actual operating cost per square metre of owned government buildings is considered to be well under the industry average for comparable facilities within Alberta as noted above.

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	Results 2000-01
Industry Operating Cost per m^2	$88.51
Average operating cost per m^2 of all office buildings owned and operated by Alberta Infrastructure	$72.66

Analysis

In 2000-01 the actual operating cost per square metre of owned government buildings is considered to be well under the industry average for comparable facilities within Alberta as noted above.

GOAL 7: CREATE A VALUE-ADDED ORGANIZATION

Implement the Corporate Human Resource Strategy to strengthen the effectiveness of Alberta Infrastructure staff.

➤ The ministry participated in the government's Shared Services Initiative to consolidate the Government of Alberta's transactional/ administrative and professional/advisory services in the areas of administration, finance, human resources and information technology under one umbrella organization. As well, ministry staff participated in inter-departmental committees and provided comments/input into development of processes and policies.

➤ Implemented consistent management and non-management performance assessment systems following the May 1999 amalgamation of staff from three former departments of government. The new performance assessments contain more competencies and a learning plan.

➤ Developed a new Leadership Continuity Strategy that included reviewing assistant deputy minister and executive director positions. Development of strategies for the next levels of management also commenced. As a result of the March 15, 2001 government restructuring, the strategy will be reviewed in relation to the needs of the Ministries of Infrastructure and Transportation.

➤ Undertook a Work Climate Survey, the results of which were compiled and reported to senior department executives and the Personnel Administration Office (PAO). A summary of final results was made available to department staff via the Intranet in December 2000. New initiatives in response to survey results have been developed, such as career management courses, effective self-manager certification training program, a leadership continuity strategy, a review of the performance management process and the successful supervisors training program.

➤ Developed a ministry Human Resource Plan that provides a strong link to the ministry business plan and the government's Corporate Human Resource Strategy by aligning workforce needs to business needs. The plan was submitted to PAO and distributed to all ministry managers. One of the most important components of the plan was developing a broad organizational agenda that included future direction, current and future human resource needs, identifying gaps and forecasts of human resource needs, analysis of workplace issues and program planning. Through this plan, the ministry created a framework for building a workforce that can meet or exceed the challenges outlined in the business plan.

➤ Implemented a consistent learning account policy following the May 1999 amalgamation of the previous Alberta Public Works, Supply and Services, Alberta Transportation, as well as school facilities and post-secondary institutions from Alberta Learning. As Alberta Infrastructure is committed to being a learning organization, this policy facilitates continuous life-long learning opportunities for all staff.

➤ Introduced a new electronic format for the employee newsletter, InfraNews, aimed at sharing information on the status of reorganization changes as a result of the shared services initiative, as well as ministry goals and strategies and other items that impact ministry staff. It also focused on staff accomplishments and highlighted ministry activities.

➤ Consolidated the ministry's previous and current decision-making processes through streamlining and identifying roles and responsibilities, and communicating these new processes to department employees through various reorganization updates and newsletters. Some of these initiatives included:

- Expenditure Authorities Matrix, which describes the delegated expenditure authority levels provided to staff within the ministry, was revised and approved by senior management in November 2000;
- Human Resources Authorities Matrix, describes the various approval levels required for human resource related activities such as recruitment, leave, etc., was revised and approved for implementation in May 2000;
- Financial and human resource transactional process changes resulting from shared services implementation; and
- An Administrative Policy and Procedures document for the ministry was completed and made accessible to department staff through the department's Intranet.

➤ Developed a manpower resource program to accommodate the transfer of secondary highways throughout the province and primary highways through cities including the reallocation of positions to accommodate this initiative and recruitment to vacant core positions.

➤ Led the development and implementation of a multi-departmental Action Request Tracking System in Alberta Infrastructure and nine additional ministries. Three additional ministries also adopted the system to date.

➤ As part of the Joint Workforce Development Program, a "mentoring" program within which ministry staff spend short periods of time working in industry (and vice versa) to gain an appreciation of, and experience working in, other related sectors of industry was initiated.

Focus on providing top quality programs and services to clients.

➤ In support of government policies, the ministry administered energy rebate programs introduced to shield Albertans from the high cost of heating. The natural gas rebate programs for consumers, businesses, public institutions and non-profit organizations provided some $790 million to Albertans commencing in January 2001.

➤ Implemented an electronic payment process for utility bills as part of a government-wide electronic payment initiative. All stages to implement the process for utility payment, telecommunications payments and vehicle lease payments were completed this fiscal year.

➤ Worked with other ministries to identify and implement best practices for IT delivery on a corporate basis, including the development of best practices for implementation of a desktop standard and active directory in concert with Innovation and Science. As part of a cross-government committee, an information technology and information management accountability framework was developed and an information technology architecture for the Alberta Government was established.

➤ Participated in the development of a report on strategies and measures that support the government's Economic Development Strategy.

Continue to support regulatory reform to ensure regulations are up-to-date and easy to use.

➤ The new *Traffic Safety Act* regulations were under development at March 31, 2001. Final drafting and approval was deferred, pending passage of the *Traffic Safety Amendment Act*, 2001. It is anticipated the *Traffic Safety Act* will be ready for proclamation by the end of 2001, but will take effect in 2002 to allow enforcement and administrative authorities to make administrative and information technology changes.

➤ New regulations continued to be developed under the *Railway Act* to address the design and safety requirements of rolling stock, track and crossings in accordance with common industry standards to ensure a uniform safety level for railways under provincial jurisdiction.

- Provisions dealing with the start-up and continued operation of new short line railways were developed. These included provisions dealing with insurance, as well as basic safety approvals of track, rolling stock and crossings necessary for operation.
- As part of the initiative toward federal-provincial harmonization regulations and industry standards were reviewed to ensure that they are relevant to rail operations in Alberta. Provisions, which were unnecessary or inconsistent, were not included, and in some cases provisions were added to deal with circumstances that are unique to Alberta.

➤ Requests were received from post-secondary institutions for disposition of lands, including long-term leases, and for long-term financing. These requests were reviewed to ensure they complied with the four criteria established by Cabinet: financial independence, equity participation, project viability, and accountability. Recommendations were forwarded to Executive Council for approval.

Related activities included:

- the University of Alberta borrowing $20.7 million for a 24MW Steam Turbine Generator;
- the Southern Alberta Institute of Technology borrowing $21.5 million for a new residence;
- Lethbridge Community College borrowing $7 million for a new student residence;
- Red Deer College borrowing $3 million for a new student housing complex;
- Fairview College selling surplus property in Fort Vermilion;
- Lakeland College leasing land to the City of Llyodminster for a community-owned theatre and concert hall; and
- Northern Lakes College selling surplus land in Grouard.

➤ Created a legislative framework for the Natural Gas, Propane and Heating Oil Rebate Program. This program assisted Alberta households with the high natural gas, propane or heating oil costs during the months of January, February, March, and April 2001 only. The rebate was $50 per household per month.

➤ Created a legislative framework for the Market Transition Credit Program. This program assisted approximately 10,700 small businesses and commercial electricity consumers deal with the transition to a competitive electricity market place by providing up to 4 cents per kilowatt-hour in addition to the 3.6-cent Electricity Auction Rebate.

Performance Measure

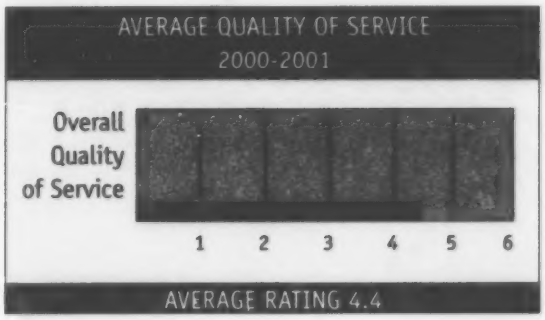
Client Satisfaction Survey

For the first time, Alberta Infrastructure conducted a client satisfaction survey. This survey will be used to measure client satisfaction and make service improvements as needed. The survey was administered in March 2001 under the former Ministry of Infrastructure. On March 15, 2001, following a government restructuring, the former Alberta Infrastructure was split into two ministries: Alberta Infrastructure and Alberta Transportation. The results of this survey are presented as one ministry.

Clients were asked to rate the service provided by ministry staff or programs according to eight service qualities for ten key service areas of the department. The service qualities were rated according to the following rating scale.

1 = Very Satisfied	2 = Unsatisfied	3 = Somewhat Unsatisfied
4 = Somewhat Satisfied	5 = Satisfied	6 = Very Satisfied

The results of the client satisfaction survey are indicated in the chart below. Overall, the average client satisfaction rating for Alberta Infrastructure was **4.4** which falls between "Somewhat Satisfied" and "Satisfied."



Methodology

The survey questionnaire was organized according to 10 key service areas:

- Management of Provincial Highway Network
- Management of Municipal Grant Programs
- Design and Construction of Water Management Facilities
- Traffic Safety Programs
- Monitoring and Licensing of Driver Training/Examination Operations
- Monitoring and Licensing of Drivers (Commercial and Non-commercial)

- Regulation of Commercial Vehicles and Carrier Operations
- Services to Supported (Third-party) Building Infrastructure
- Services to Government Owned and Leased Properties
- Supply Management Services

In each of these key services areas, clients were asked to rate their level of satisfaction for:

- Clarity of Written Materials
- Ease of Access to Information
- Ease of Access to Services
- Consistency of Services
- Timeliness of Service Delivery
- Proficiency of Service Delivery
- Courtesy of Staff
- Overall Quality of Service

Direct clients of the ministry were defined as organizations interacting with Alberta Infrastructure. They included municipalities, regional health authorities, schools and school boards, post-secondary institutions, other Alberta government departments, associations, contractors, consultants, First Nation communities, Métis settlements, law enforcement agencies, commercial carriers, driver schools, driver examiners, license registries and oil and gas industry suppliers.

The general public, and indirect clients who received services through a third-party service provider, were not included in the survey. These clients were excluded because they have limited direct interaction with the services provided by the ministry.

Analysis

Although the survey was high level and did not delve into specific services provided within programs, the results and comments received provided enough information to allow the ministry to focus on certain areas of our program delivery. Generally speaking, results and comments regarding the courtesy and proficiency of staff rated higher than any of the other service qualities. This reflects the professionalism and ongoing commitment that staff have to providing quality service to their clients.

Overall, 18.6 per cent of clients who received a survey provided us with a response. The results of the previous page are accurate, on average, to within $\pm$ 0.2, 95 per cent of the time.

Both ministries will be working with staff to identify specific short-term and long-term strategies to improve the ratings in all of the service areas. In addition, the surveys for the next reporting period will be updated to reflect the needs of the individual ministries. It is unlikely that the rating scale or service qualities will change; however, the ministries will take this opportunity to review the program services to determine if more detail is required in order to obtain results that can more accurately pin-point areas requiring improvement. Following the reviews, targets for future years will be developed.

Ministry of Infrastructure

– March 31, 2001 –

Government Restructuring

On March 15, 2001 the government announced new ministry structures. As a result, effective March 19, 2001 the Ministry of Infrastructure was reorganized. Some of the responsibilities were transferred to the newly established Ministry of Transportation.

Since the 2000-01 fiscal year was substantially completed prior to this announcement, these financial statements have been prepared as if the restructuring took place on April 1, 2001 to provide proper accountability for the 2000-01 fiscal year against the original business plan.

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Auditor's Report

AUDITOR GENERAL *Alberta*

To the Members of the Legislative Assembly

I have audited the statement of financial position of the Ministry of Infrastructure as at March 31, 2001 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Ministry's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

The Ministry is required to follow the corporate government accounting policies and reporting practices established by Alberta Treasury, including the following policy that is an exception from Canadian generally accepted accounting principles. The Ministry reports the costs of site restoration in the period in which the restoration work is performed rather than in the periods in which the liabilities arise. In my view, the Ministry should estimate the cost and record the liability for sites that do not meet the acceptable contractual or environmental standards. The estimate of the liability should be refined each year, as the extent of required restoration work becomes known. I believe that the effect of this departure from Canadian generally accepted accounting principles is significant.

In my opinion, except for the effects of the matter discussed in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Ministry of Infrastructure as at March 31, 2001 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Peter Valentine FCA
Auditor General

Edmonton, Alberta
May 23, 2001

MINISTRY OF INFRASTRUCTURE
STATEMENT OF OPERATIONS
For the year ended March 31, 2001

(in thousands)

	2001 Budget (Schedule 4)	2001 Actual	2000 Actual
Revenues (Schedules 1 and 2)			
Internal Government Transfers	$ 280,000	$ 280,000	$ 291,700
Transfers from Government of Canada	451	588	575
Fees, Permits, and Licences	13,588	18,797	17,236
Investment Income	4,300	5,529	4,127
Other Revenue			
Refunds of Expenditures	8,630	4,852	11,648
Other Revenue	21,257	29,803	40,270
	328,226	339,569	365,556
Expenses - Directly Incurred (Note 2 and Schedule 8)			
Voted (Schedules 3 and 5)			
Ministry Support Services	26,839	34,252	28,831
Construction, Upgrading, and Operation of Infrastructure	1,737,293	2,518,417	1,830,951
Cross-Government Services	17,954	17,609	18,512
	1,782,086	2,570,278	1,878,294
Valuation adjustments			
Provision for Doubtful Accounts	100	(405)	204
Provision for Vacation Pay	-	1,684	1,898
	100	1,279	2,102
	1,782,186	2,571,557	1,880,396
Gain on Disposal of Assets, Net	-	(11,318)	(5,766)
Gain on Disposition of Long Term Receivable	-	-	(1,830)
Write Downs of Assets	-	766	2,655
	-	(10,552)	(4,941)
Net Operating Results	$ (1,453,960)	$ (2,221,436)	$ (1,509,899)

The accompanying notes and schedules are part of these financial statements.

MINISTRY OF INFRASTRUCTURE
STATEMENT OF FINANCIAL POSITION
As at March 31, 2001

(in thousands)

	2001	2000
ASSETS		
Cash	$ 593	$ 6,797
Accounts Receivable (Note 4)	21,305	26,901
Loans and Advances (Note 5)	1,866	1,376
Inventories (Note 6)	9,756	9,867
Capital Assets (Note 7)	5,899,949	5,125,678
	$ 5,933,469	$ 5,170,619
LIABILITIES		
Accounts Payable and Accrued Liabilities	$ 313,099	$ 77,046
Holdbacks Payable	13,328	9,192
Deferred Capital Contributions	1,090	2,904
Unearned Revenue	2,623	454
	330,140	89,596
NET ASSETS		
Net Assets at Beginning of Year	5,081,023	5,055,651
Add: Acquisition of Highways and Bridges (Note 8)	586,973	-
Net Operating Results	(2,221,436)	(1,509,899)
Net Transfers from General Revenues	2,156,769	1,535,271
Net Assets at End of Year	5,603,329	5,081,023
	$ 5,933,469	$ 5,170,619

The accompanying notes and schedules are part of these financial statements.

MINISTRY OF INFRASTRUCTURE
STATEMENT OF CHANGES IN FINANCIAL POSITION
For the year ended March 31, 2001

	(in thousands) 2001	2000
Operating Transactions		
Net Operating Results	$ (2,221,436)	$ (1,509,899)
Non-Cash Items :		
Amortization of Capital Assets	159,789	148,402
Amortization of Deferred Capital Contributions	(1,814)	(1,813)
(Gain)/Loss on Disposal of Assets, Net	(11,318)	(5,766)
Non-Cash Adjustment	(123)	(637)
Grants in Kind	660	1,355
Write Downs of Capital Assets	503	2,500
Write Down of Inventory	263	155
Consumption of Inventory	11,939	10,746
Amortization of Discounts		(427)
Valuation Adjustments	1,279	2,102
	(2,060,258)	(1,353,282)
Decrease (Increase) in Accounts Receivable	6,001	(514)
(Increase)/Decrease in Loans and Advances	(490)	3,532
Increase/(Decrease) in Accounts Payable	234,369	(5,237)
Increase/(Decrease) in Holdbacks Payable	4,136	(1,922)
Increase in Unearned Revenue	2,169	68
Cash Used by Operating Transactions	(1,814,073)	(1,357,355)
Investing Transactions		
Purchases of Capital Assets (Schedule 5)	(373,123)	(224,159)
Proceeds from Disposal of Capital Assets	36,109	12,405
Purchase of Inventories	(11,886)	(9,578)
Transfers of Assets to Other Ministries		47,831
Cash Used by Investing Transactions	(348,900)	(173,501)
Financing Transactions		
Net Transfers from General Revenues	2,156,769	1,535,271
Net Cash (Used) Provided	(6,204)	4,415
Cash, Beginning of Year	6,797	2,382
Cash, End of Year	$ 593	$ 6,797

The accompanying notes and schedules are part of these financial statements.

MINISTRY OF INFRASTRUCTURE
NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2001

NOTE 1 AUTHORITY AND PURPOSE

The Ministry of Infrastructure operates under the authority of the Government Organization Act, Statutes of Alberta.

The Minister is responsible for:

- the development, construction and maintenance of an integrated transportation system to facilitate the safe and efficient movement of people and products and the economic development of the Province,
- providing funding and management for the construction, upgrading and maintenance of facilities required for the delivery of quality healthcare, education, and senior citizen's care,
- providing cross-government real estate services for office accommodation and other facilities,
- providing air transportation, automobiles and light vehicles, and procurement services for government,
- assisting in the provision of municipal water supply and waste water facilities,
- administering and providing funding for the Canada-Alberta Infrastructure Program which funds a wide variety of municipal infrastructure projects.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with the following accounting policies that have been established by government for all ministries. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. Recommendations of the Accounting Standards Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate.

(a) Reporting Entity

The reporting entity is the Ministry of Infrastructure which consists of the Department of Infrastructure for the year ended March 31, 2001.

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Provincial Treasurer. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net transfer to/from General Revenues is the difference between all cash receipts and all cash disbursements made.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (continued)

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual method of accounting. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue.

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return.

Dedicated Revenue

Dedicated revenue initiatives provide a basis for authorizing spending. Dedicated revenues must be shown as credits or recoveries in the details of the Government Estimates for a supply vote. If actual dedicated revenues are less than budget and total voted expenses are not reduced by an amount sufficient to cover the deficiency in dedicated revenues, the following year's voted expenses are encumbered. If actual dedicated revenues exceed budget, the ministry may, with the approval of the Treasury Board, use the excess revenue to fund additional expenses on the program. Schedule 2 discloses information on the Ministry's dedicated revenue initiatives.

Expenses

Directly Incurred

Directly incurred expenses are those costs the ministry has primary responsibility and accountability for, as reflected in the government's budget documents.

Directly incurred expenses include:

- amortization of capital assets.
- pension costs which comprise the cost of employer contributions for current service of employees during the year.
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities.

Incurred by Others

Services contributed by other entities in support of the ministry operations are disclosed in Schedule 8.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (continued)

(b) Basis of Financial Reporting (continued)

Assets

Financial assets of the ministry are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals. Inventories of aircraft parts and supplies are valued at the lower of cost or replacement cost.

Assets acquired by right are not included. Capital assets of the ministry are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $15,000. All land is capitalized.

Capital assets of the ministry include work in progress for buildings, computer hardware and software, highways, bridges, and dams and water management structures. These costs are capitalized but not amortized until the asset is in service.

Donated capital assets are recorded at their fair value at the time of contribution.

When physical assets (capital assets and inventories) are gifted or sold for a nominal sum to parties external to the government reporting entity, the fair values of these physical assets, less any nominal proceeds, are recorded as grants in kind.

Liabilities

Liabilities represent all financial claims payable by the ministry at fiscal year end.

Deferred Capital Contributions

In 1995, two CL215 water bomber aircraft were acquired from the Government of Canada for one dollar each. The fair value of these aircraft has been capitalized with an offset recorded as deferred capital contributions. Under the terms of an agreement of divestiture with the Government of Canada, the aircraft's use is restricted as they must be operated solely for activities related to the fighting of forest fires within Canada until the year 2001 at which point the province has unrestricted use of the aircraft. Accordingly, the deferred capital contributions are amortized into income over the restricted period.

Net Assets/Net Liabilities

Net assets/net liabilities represents the difference between the value of assets held by the ministry and its liabilities.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (continued)

(b) Basis of Financial Reporting (continued)

Measurement Uncertainty
(in thousands)

Measurement uncertainty exists when there is a significant variance between the amount recognized in the financial statements and another reasonably possible amount.

As fully explained in Note 8, measurement uncertainty exists in the valuation of certain highways and bridges in cities, which were transferred to the ministry during the year.

The Government of Alberta introduced the Energy Rebate Program to assist Alberta Residential, commercial, and farm consumers of natural gas, propane, fuel oil, and electricity.

This Energy Rebate Program provided for monthly rebates for the period January to April 2001. Residential natural gas and propane consumers received $150 per month and the non-residential programs provided monthly rebates based on actual consumption up to a predefined amount. Rebates under the Market Transition Credit Program were paid to certain electrical consumers based on consumption and the price of electricity.

Total expenses under the program for the year ended March 31, 2001 amounted to $790 million. Utility companies were advanced funds based on estimated numbers of qualified customers and their consumption of energy. Customers were then rebated through the normal billing processes of these companies. Other amounts were paid directly to consumers. Certain elements of the program require that consumers apply for the rebates prior to July 31, 2001. Utility companies were advanced a total of $663 million to reimburse them for the direct credits to the accounts of their customers. A total of $5.8 million was paid directly to consumers. The ministry estimates that a total of $121 million, relating to the period January to March, remains to be paid and accrued that amount at March 31, 2001.

The ministry is developing a reconciliation and audit process in conjunction with the utility companies. Measurement uncertainty exists because the actual cost of the program will be determined after all applications are received and the audit process is finalized. It is possible that the actual expenditures could vary significantly from that estimated and reported in these financial statements.

Site Restoration

Certain liabilities may exist for site restoration and contamination, which may be the responsibility of the ministry but are not quantified. The potential costs relate to restoring building and other sites to acceptable contractual or environmental standards. Costs for site restoration are recognized in the financial statements when work is undertaken. No annual provision is made for future site restoration.

NOTE 3 VALUATION OF FINANCIAL ASSETS AND LIABILITIES

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable, advances, accounts payable and accrued liabilities, and unearned revenues are estimated to approximate their book values. Fair values of loans are not reported due to there being no organized financial market for the instruments and it is not practicable within constraints of timeliness or cost to estimate the fair value with sufficient reliability.

NOTE 4 ACCOUNTS RECEIVABLE

(in thousands)

	2001			2000
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts receivable	$ 19,458	$ 527	$ 18,931	$ 24,703
Refunds from suppliers	2,374	-	2,374	2,198
	$ 21,832	$ 527	$ 21,305	$ 26,901

Accounts receivable are unsecured and non-interest bearing.

NOTE 5 LOANS AND ADVANCES

(in thousands)

	2001 Gross Amount	2001 Allowance for Doubtful Accounts	2001 Net Realizable Value	2000 Net Realizable Value
Travel advances (1)	$ 940	$ -	$ 940	$ 1,036
Mortgages receivable (2)	926	-	926	340
	$ 1,866	$ -	$ 1,866	$ 1,376

(1) The ministry has used funds advanced by Treasury to establish petty cash funds, provide travel advances and set up damage deposits for foreign leases. In addition, $700 relates to an advance required for the operation of the Government Procurement Card.

(2) Mortgages receivable are repayable over the next three years as follows: $522 in 2002, $202 in 2003 and $202 in 2004. These mortgages are non-interest bearing and transfer of title is contingent upon final payment being received.

NOTE 6 INVENTORIES

(in thousands)

Inventories consist of consumables and repair parts for the delivery of highway transportation programs, waste treatment services, and air transportation services.

	2001	2000
Sand, salt and gravel	$ 5,958	$ 6,211
Reagents, parts and supplies	578	-
Aircraft parts and supplies	3,220	3,656
	$ 9,756	$ 9,867

In October, 2000 part of the inventory of aircraft parts was destroyed by fire. The value of the inventory destroyed was $2,768. At March 31, 2001 a portion of the inventory had been replaced. An insurance claim for the replacement of the balance of the inventory remains outstanding. The outstanding amount of $1,517 is included in accounts receivable.

MINISTRY OF INFRASTRUCTURE
NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2001

NOTE 7 CAPITAL ASSETS

(in thousands)

The cost of assets and the related accumulated amortization for the ministry are summarized below.

	Estimated Useful Life	2001 Cost (5)	2001 Accumulated Amortization	2001 Net Book Value	2000 Net Book Value
General capital assets:					
Land	Indefinite	$ 912,889		$ 912,889	$ 874,505
Buildings (1)	40 years	1,564,798	732,289	832,509	881,860
Equipment	5-10 years	45,512	27,753	17,759	19,654
Computer hardware and software	3-10 years	44,887	17,979	26,908	18,689
Other (2)	3-40 years	99,030	70,531	28,499	32,412
		2,667,116	848,552	1,818,564	1,827,120
Infrastructure assets:					
Land improvements	40 years	221	180	41	47
Provincial Highways, roads (3)	50 years	5,201,889	1,716,922	3,484,967	2,840,396
Bridges	50 years	609,793	165,536	444,257	335,511
Dams and water management structures (4)		152,120		152,120	122,604
		5,964,023	1,882,638	4,081,385	3,298,558
		$ 8,631,139	$ 2,731,190	$5,899,949	$ 5,125,678

(1) During the year the buildings and equipment of the Swan Hills Treatment Centre were acquired by the ministry. The capital assets were recorded at two dollars which was their cost of acquisition.

(2) Includes trailers, leasehold improvements, aircraft, and spare aircraft engines.

(3) Highways include original pavement, roadbed, drainage works, and traffic control devices.

(4) Dams and water management structures are constructed by the ministry and transferred to the Department of Environment upon their completion. The Ministry of Infrastructure does not amortize those assets.

(5) Included in the cost of land, buildings, computer hardware and software, provincial highways, roads, bridges, and dams and water management structures is work in progress amounting to $195,614 (2000 - $154,455).

NOTE 8 ACQUISITION OF SECONDARY HIGHWAYS AND CERTAIN ARTERIAL ROADWAYS IN CITIES

(in thousands)

On September 7, 1999, the government announced a new transportation plan which includes significant changes in responsibility for highways in the province. Effective April 1, 2000 the ministry assumed responsibility for the construction and maintenance of secondary highways in the province plus key arterial roadways within the cities of Calgary, Edmonton, Fort McMurray, Medicine Hat, Lethbridge, and Grande Prairie. The transfer of assets is recorded when they are turned-over to the province to manage their maintenance.

Approximately 17% of the secondary highway system and the majority of the arterial roadways were turned over in fiscal 2001. The following schedule summarizes in two-lane kilometers when the assets are acquired.

Two-Lane kilometres to be Acquired by the Province

	Fiscal 2001	Fiscal 2002	Total
Arterial Roadways	0.36		0.36
Secondary highways	2.32	11.12	13.44
	2.68	11.12	13.80

The ministry recorded the acquisitions as an adjustment to net assets. The ministry valued the assets at an amortized estimated historical cost.

The arterial roadways in the cities were valued based on the department's records of actual project costs which were supported by grant payments to the cities in the period 1977 to 2000. The cost of projects completed prior to 1977 were estimated at a percentage of the total costs incurred after that year.

NOTE 8 ACQUISITION OF SECONDARY HIGHWAYS AND CERTAIN ARTERIAL ROADWAYS IN CITIES (continued)

(in thousands)

The secondary highways were valued at their current replacement cost and de-escalated to their year of construction using a Statistics Canada construction cost index. The bridges were valued based on the department's actual costs of constructing similar bridges on the primary highways system over the past 50 years.

Estimated Value of Highway and Bridge Assets Acquired in 2001

	Highways	Bridges	Total
Arterial Roadways in Cities	$ 133,003	$ 64,598	$197,601
Secondary Highways and Bridges	364,554	24,818	389,372
	$ 497,557	$ 89,416	$586,973

During 2002 the ministry will be obtaining more detailed information on the arterial roadways and bridges and it is possible that it will result in a re-allocation of costs between roads and bridges, or a material change in total value.

MINISTRY OF INFRASTRUCTURE
NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2001

NOTE 9 COMMITMENTS

(in thousands)

As at March 31, 2001, the ministry had the following commitments:

	2001	2000
Commitments for Capital Investment		
Construction Contracts	$ 112,052	$ 134,580
Service Agreements	53,563	26,695
Purchase of Assets	431	626
	166,046	161,901
Commitments for Operating Expense		
Contracts and Agreements	544,154	404,714
Grants	1,407,962	530,871
Long-term Leases	334,387	313,282
	2,286,503	1,248,867
Total Operating and Capital Investment	$ 2,452,549	$ 1,410,768

The aggregate amounts payable for the unexpired terms of these commitments are as follows:

	Commitment Schedule as at March 31, 2001					
	2002	**2003**	**2004**	**2005**	**Thereafter**	**Total**
Capital Investment	$ 163,773	$ 1,603	$ 357	$ 313		$ 166,046
Operations Contracts & Agreements	309,883	77,219	63,094	39,958	54,000	544,154
Grants	1,015,031	84,337	127,468	146,391	34,735	1,407,962
Leases	67,787	56,283	44,963	35,510	129,844	334,387
Total	$1,556,474	$219,442	$235,882	$222,172	$ 218,579	$2,452,549

NOTE 10 CONTINGENCIES

(in thousands)

At March 31, 2001, the ministry is a defendant in 199 legal claims (2000 - 216 legal claims). 154 of these claims have specified amounts totaling $853,082 and the remaining 45 have not specified any amount (2000 - 122 claims with a specified amount of $724,342 and 94 with no specified amount). Included in the total legal claims are 77 claims in which the ministry has been jointly named with other entities, 72 of which have specified claims amounting to $790,465. Seventy-four claims amounting to $54,307 are covered by the Alberta Risk Management Fund.

The resulting loss, if any, from these claims cannot be determined.

NOTE 11 TRUST FUNDS UNDER ADMINISTRATION

(in thousands)

The ministry administers trust funds that are regulated funds consisting of public money over which the Legislature has no power of appropriation. Because the province has no equity in the funds and administers them for the purpose of various trusts, they are not included in the ministry's financial statements.

As at March 31, 2001, trust funds under the ministry's administration were as follows:

	2001	2000
The General Trust Fund	$ 654	$ 521
The Security Deposit Trust Fund	157	99
The Impaired Driving Initiatives Trust Fund	5	5
	$ 816	$ 625

NOTE 12 PAYMENTS UNDER AGREEMENT

(in thousands)

The ministry has entered into agreements to deliver programs and services that are partly funded by the Government of Canada. Costs incurred under these agreements are made by the ministry under authority of the Financial Administration Act, Section 29.1. Amounts paid and payable under agreements with program sponsors are as follows:

	2001	2000
Government of Canada (program sponsor)		
National Infrastructure Program	$ 285	$ 12,131
Improvement District # 5 (program sponsor)		
Kananaskis Improvement District roadway maintenance	73	73
	$ 358	$ 12,204

NOTE 13 PENSIONS

The ministry participates in the multi-employer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The ministry also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense of these pension plans is equivalent to the annual contributions of $5,490,000 for the year ended March 31, 2001 (2000 - $4,871,000).

At December 31, 2000, the Management Employees Pension Plan reported a surplus of $104,658,000 (1999 - $46,019,000) and the Public Service Pension Plan reported a surplus of $635,084,000 (1999 - $517,020,000). At December 31, 2000, the Supplementary Retirement Plan for Public Service Managers had a surplus of $180,000 (1999 - $ 33,000).

MINISTRY OF INFRASTRUCTURE
NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2001

NOTE 14 GOVERNMENT RESTRUCTURING

As a result of government restructuring announced on March 15, 2001, part of the ministry's responsibilities for the following were transferred to the newly established Ministry of Transportation:

- the development, construction and maintenance of an integrated transportation system to facilitate the safe and efficient movement of people and products and the economic development of the province,
- assisting in the provision of municipal water supply and waste water facilities,
- administering and providing funding for the Canada-Alberta Infrastructure Program which funds a wide variety of municipal infrastructure projects.

Since the 2000-01 fiscal year was substantially completed prior to this announcement, these financial statements have been prepared as if the restructuring took place on April 1, 2001, to provide proper accountability for the 2000-01 fiscal year against the original business plan.

NOTE 15 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Deputy Minister.

MINISTRY OF INFRASTRUCTURE
SCHEDULE TO FINANCIAL STATEMENTS
REVENUES

SCHEDULE 1

For the year ended March 31, 2001

(in thousands)

	2001 Budget	2001 Actual	2000 Actual
Internal Government Transfers			
Transfers from Alberta Lottery Fund	$ 280,000	$ 280,000	$ 291,700
	280,000	280,000	291,700
Transfers from Government of Canada			
Cost Recoveries and Contributions	451	588	575
	451	588	575
Fees, Permits, and Licences			
Motor Transport Services	11,588	16,253	14,696
Civil Service Parking	2,000	2,533	2,524
Other	-	11	16
	13,588	18,797	17,236
Investment Income			
Amortization of Discounts			427
Other	4,300	5,529	3,700
	4,300	5,529	4,127
Other revenue			
Refunds of Expenditures			
Previous Years' Refunds	6,900	4,484	10,355
Railway Relocations	200	196	838
Surplus Sales	1,530	172	188
Other	-	-	267
Miscellaneous			
Swan Hills Treatment Centre		3,171	
Rentals (Land and Buildings)	4,000	11,267	11,944
Vehicle Operations	1,082	1,787	2,169
Aircraft Services	5,340	5,309	6,017
Postage	2,805	3,389	3,207
Cost Recoveries	500	1,021	11,752
Upgrading of Seniors' Lodges	2,600	1,198	3,903
Other	4,930	2,661	1,278
	29,887	34,655	51,918
Total Revenue	$ 328,226	$ 339,569	$ 365,556

MINISTRY OF INFRASTRUCTURE
SCHEDULE TO FINANCIAL STATEMENTS
DEDICATED REVENUE INITIATIVES

SCHEDULE 2

For the year ended March 31, 2001

(in thousands)

	Authorized Dedicated Revenues	2001 Actual Dedicated Revenues		(Shortfall) / Excess
Land Sales	$ 35,000	$ 35,133		$ 133
Seniors' Lodges	2,600	1,198		(1,402)
Civil Service Parking	2,000	2,533		533
Leases	1,000	-		(1,000)
Property Operations	9,500	10,266		766
Land Acquisition	1,000	1,000		-
Air Transportation	5,340	5,310		(30)
Postage and Courier	2,805	3,389		584
	$ 59,245	$ 58,829	(1)	$ (416)

(1) Shortfall is deducted from current year's authorized budget, as disclosed in schedules 4 and 5 to the financial statements

Land Sales revenues are proceeds from the sale of surplus land. The proceeds do not appear in the Statement of Operations as a revenue, but do appear in the Statement of Changes in Financial Position as an Investing Transaction.

Seniors' Lodges revenues are reimbursements for the cost of upgrades to lodges which were completed by the department at the request of the lodge foundations.

Civil Service Parking revenues are rents collected from civil service employees for parking stalls at their place of employment.

Revenues associated with Leases, Property Operations, and Land Acquisition are rents charges to agencies of government and other entities which occupy space in government operated buildings or who utilize land owned by government.

Air Transportation revenues are amounts paid by government departments and agencies for the use of passenger and fire control aircraft.

Postage and Courier revenues are amounts charged to government departments and agencies for postage and courier services.

The above dedicated revenues and expenses are included in the Statement of Operations. Dedicated revenues represents a partial reimbursement of certain expenditures

MINISTRY OF INFRASTRUCTURE
SCHEDULE TO FINANCIAL STATEMENTS
EXPENSES – DIRECTLY INCURRED DETAILED BY OBJECT

SCHEDULE 3

For the year ended March 31, 2001

(in thousands)

	2001 Budget	2001 Actual	2000 Actual
Voted:			
Salaries, Wages and Employee Benefits	$ 92,844	$ 94,487	$ 87,251
Supplies and Services	630,995	589,449	529,324
Grants	883,197	1,713,756	1,102,523
Financial Transactions and Other	50	858	48
Amortization	175,000	171,728	159,148
Total Voted Expenses	$ 1,782,086	$ 2,570,278	$ 1,878,294

MINISTRY OF INFRASTRUCTURE
SCHEDULE TO FINANCIAL STATEMENTS
BUDGET

SCHEDULE 4

For the year ended March 31, 2001

(in thousands)

	2000 - 2001 Estimates	Adjustment (a)	2000 - 2001 Budget	Authorized Supplementary (b)	Dedicated Revenue Minute (c)	2000 - 2001 Authorized Budget
Revenues:						
Transfers from Alberta Lottery Fund	$ 280,000	$ -	$ 280,000		$ -	$ 280,000
Transfers from Government of Canada	451	-	451	-	-	451
Investment Income	4,300	-	4,300	-	-	4,300
Fees, Permits, and Licences	13,588	-	13,588	-	-	13,588
Other Revenue	29,887	-	29,887	-	7,500	37,387
	328,226	-	328,226	-	7,500	335,726
Expenses:						
Voted Expenses						
Ministry Support Services	26,839	-	26,839		-	26,839
Construction, Upgrading and Operation of Infrastructure	1,737,293	(416)	1,736,877	825,000	7,500	2,569,377
Cross-Government Services	17,954	-	17,954		-	17,954
	1,782,086	(416)	1,781,670	825,000	7,500	2,614,170
Valuation Adjustments						
Provision for Doubtful Accounts	100	-	100	-	-	100
Provision for Vacation Pay		-	-	-	-	-
	100	-	100	-	-	100
Total Expenses	1,782,186	(416)	1,781,770	825,000	7,500	2,614,270
Loss on Disposal of Assets, Net		-	-	-	-	-
Write Downs of Assets		-	-	-	-	-
	-	-	-	-	-	-
Net Operating Results	$ (1,453,960)	$ 416	$ (1,453,544)	$ (825,000)	$ -	$ (2,278,544)
Capital Investment	$ 370,472		$ 370,472		$ -	$ 370,472

(a) In the event that dedicated revenues fail to meet their intended target, program spending budgets are encumbered. The encumbrance reduces the budgeted amount for voted expenses in the current year.

(b) A Supplementary Estimate was given Royal Assent on December 4, 2000 in the amount of $419,000 to fund several high priority infrastructure support programs. In addition, a Supplementary Estimate in the amount of $406 million was approved by special warrant O.C. 116/2001 issued on March 19, 2001 to fund the Energy Rebates Program.

(c) Treasury Board approved $7.5 million of additional spending on dedicated revenue initiatives pursuant to Section 29(1.1) of the Financial Administration Act.

MINISTRY OF INFRASTRUCTURE
SCHEDULE TO FINANCIAL STATEMENTS
COMPARISON OF EXPENSES – DIRECTLY INCURRED AND CAPITAL INVESTMENTS BY ELEMENT TO AUTHORIZED BUDGET

SCHEDULE 5

For the year ended March 31, 2001

(in thousands)

		2000-2001 Estimates	Adjustments (a)	2000-2001 Budget	Authorized Supplementary & Other Funding (b) (c)	2000-2001 Authorized Budget	2000-2001 Actual Expense	Unexpended (Over Expended)
Voted Expenses and Capital Investments								
Ministry Support Services								
1.0.1	Minister's Office	$ 388	$ -	$ 388	$ -	$ 388	$ 371	$ 17
1.0.2	Deputy Minister's Office	384	-	384	-	384	408	(24)
1.0.3	Ministry Support Services							
	- Operating Expense	26,067	-	26,067		26,067	33,473	(7,406)
	- Capital Investment	6,410	-	6,410	-	6,410	11,607	(5,197)
		33,249	-	33,249	-	33,249	45,859	(12,610)
Construction, Upgrading and Operation of Infrastructure								
2.1	**Transportation Safety Services**							
2.1.1	Transportation Safety Services	20,342		20,342	-	20,342	20,924	(582)
2.1.2	Transportation Safety Board	567	-	567	-	567	537	30
	Total Sub-program	20,909	-	20,909	-	20,909	21,461	(552)
2.2	**Highway Systems**							
2.2.1	North South Trade Corridor							
	- Capital Investment	155,000	-	155,000	-	155,000	165,513	(10,513)
2.2.2	Primary Highways							
	- Operating Expense	201,018	-	201,018	-	201,018	203,974	(2,956)
	- Capital Investment	139,882	-	139,882	-	139,882	133,823	6,059
2.2.3	Secondary Highways							
	- Operating Expense	160,000	-	160,000	-	160,000	152,521	7,479
	- Capital Investment	-		-		-	12,701	(12,701)
2.2.4	Other Highway Infrastructure							
	- Operating Expense	5,000	-	5,000	-	5,000	7,349	(2,349)
	- Capital Investment	7,900	-	7,900	-	7,900	5,968	1,932
	Total Sub-program	668,800	-	668,800	-	668,800	681,849	(13,049)

MINISTRY OF INFRASTRUCTURE
SCHEDULE TO FINANCIAL STATEMENTS
COMPARISON OF EXPENSES – DIRECTLY INCURRED AND CAPITAL INVESTMENTS BY ELEMENT TO AUTHORIZED BUDGET

For the year ended March 31, 2001

SCHEDULE 5
CONTINUED

(in thousands)

		2000-2001 Estimates	Adjustments (a)	2000-2001 Budget	Authorized Supplementary & Other Funding (b) (c)	2000-2001 Authorized Budget	2000-2001 Actual Expense	Unexpended (Over Expended)
Voted Expenses and Capital Investments								
2.3	**Municipal Partnerships**							
2.3.1	Rural Transportation Partnerships	160,000	-	160,000	-	160,000	63,177	96,823
2.3.2	Resource Roads/New Industry		-					-
	- Operating Expense	30,000	-	30,000	-	30,000	26,811	3,189
	- Capital Investment	4,000	-	4,000	-	4,000	230	3,770
2.3.3	Alberta Cities Transportation Partnership	256,300	-	256,300		256,300	186,028	70,272
2.3.4	Streets Improvement Program	60,000	-	60,000	-	60,000	25,543	34,457
2.3.5	Municipal Water and Wastewater Grants	29,050	-	29,050	-	29,050	23,911	5,139
	Total Sub-program	539,350	-	539,350	-	539,350	325,700	213,650
2.4	**Facilities Infrastructure**							
2.4.1	Health Care Facilities							
	- Operating Expense	48,000	-	48,000	170,000	218,000	160,362	57,638
	- Operating Expense funded by Lotteries	120,000	-	120,000		120,000	120,000	-
2.4.2	School Facilities							
	- Operating Expense	60,030	-	60,030	235,000	295,030	130,071	164,959
	- Operating Expense funded by Lotteries	100,000	-	100,000		100,000	100,000	-
2.4.3	Water Management Infrastructure							
	- Operating Expense			-		-	97	(97)
	- Capital Investment	10,850	-	10,850		10,850	9,493	1,357
	- Capital Investment funded by Lotteries	20,000	-	20,000		20,000	20,000	-
2.4.4	Post - Secondary Facilities							
	- Operating Expense	17,400	-	17,400	6,000	23,400	34,136	(10,736)
	- Operating Expense funded by Lotteries	30,000	-	30,000		30,000	30,000	-
2.4.5	Senior's Lodges							
	- Operating Expense	7,100	(416)	6,684		6,684	5,856	828
	- Operating Expense funded by Lotteries	10,000	-	10,000		10,000	10,000	-
2.4.6	Government Facilities							
	- Operating Expense	19,795	-	19,795		19,795	30,489	(10,694)
	- Capital Investment	9,830	-	9,830		9,830	5,699	4,131
2.4.7	Leases	76,100	-	76,100		76,100	74,103	1,997

MINISTRY OF INFRASTRUCTURE
SCHEDULE TO FINANCIAL STATEMENTS
COMPARISON OF EXPENSES – DIRECTLY INCURRED AND CAPITAL INVESTMENTS BY ELEMENT TO AUTHORIZED BUDGET

For the year ended March 31, 2001

SCHEDULE 5
CONTINUED

(in thousands)

		2000-2001 Estimates	Adjustments (a)	2000-2001 Budget	Authorized Supplementary & Other Funding (b) (c)	2000-2001 Authorized Budget	2000-2001 Actual Expense	Unexpended (Over Expended)
2.4.8	Property Operations							
	- Operating Expense	95,578	-	95,578	7,500	103,078	108,224	(5,146)
	- Capital Investment	-	-	-	-	-	1,155	(1,155)
2.4.9	Land Acquisition							
	- Operating Expense	300	-	300		300	1,466	(1,166)
	- Capital Investment	15,100	-	15,100		15,100	16,640	(1,540)
	Total Sub-program	640,083	(416)	639,667	418,500	1,058,167	857,791	200,376
Voted Expenses and Capital Investments								
2.5	**National Infrastructure Program**							
2.5.1	National Infrastructure Program	198		198		198	23	175
2.5.2	Infrastructure Canada/ Alberta Program			-	8,000	8,000	43	7,957
	Total Sub-program	198	-	198	8,000	8,198	66	8,132
2.6	**Program Services**							
2.6.1	Program Services	43,867		43,867		43,867	45,133	(1,266)
	Total Sub-program	43,867	-	43,867	-	43,867	45,133	(1,266)
2.7	**Financial Transactions**			-		-		-
2.7.1	Amortization	172,148		172,148		172,148	156,272	15,876
2.7.2	Nominal Sum Disposals	5,000		5,000		5,000	660	4,340
2.7.3	Consumption of Inventories	9,500		9,500		9,500	10,918	(1,418)
	Total Sub-program	186,648	-	186,648	-	186,648	167,850	18,798
2.8	**Gas and Electricity Rebates**							
2.8.1	Natural gas and Propane Rebates	-		-	406,000	406,000	759,805	(353,805)
2.8.2	Electricity Rebates	-		-	-	-	29,984	(29,984)
	Total Sub-program	-	-	-	406,000	406,000	789,789	(383,789)
		2,099,855	(416)	2,099,439	832,500	2,931,939	2,889,639	42,300

MINISTRY OF INFRASTRUCTURE
SCHEDULE TO FINANCIAL STATEMENTS
COMPARISON OF EXPENSES – DIRECTLY INCURRED AND CAPITAL INVESTMENTS BY ELEMENT TO AUTHORIZED BUDGET

For the year ended March 31, 2001

SCHEDULE 5
CONTINUED

(in thousands)

		2000-2001 Estimates	Adjustments (a)	2000-2001 Budget	Authorized Supplementary & Other Funding (b) (c)	2000-2001 Authorized Budget	2000-2001 Actual Expense	Unexpended (Over Expended)
	Cross-Government Services							
3.1.1	Vehicle Services							
	- Operating Expense	1,382	-	1,382	-	1,382	2,143	(761)
	- Capital Investment	1,000	-	1,000	-	1,000	562	438
3.1.2	Air Transportation Services							
	- Operating Expense	6,419	-	6,419	-	6,419	5,969	450
	- Capital Investment	500	-	500	-	500	1,618	(1,118)
	Total Sub-program	9,301	-	9,301	-	9,301	10,292	(991)
	Voted Expenses and Capital Investments							
3.2	**Supply**							
3.2.1	Supply	8,653	-	8,653	-	8,653	8,476	177
	Total Sub-program	8,653	-	8,653	-	8,653	8,476	177
3.3	**Financial Transactions**							
3.3.1	Consumption of Inventories	1,500	-	1,500		1,500	1,021	479
	Total Sub-program	1,500	-	1,500	-	1,500	1,021	479
		19,454	-	19,454	-	19,454	19,789	(335)
		$ 2,154,558	$ (416)	$ 2,152,142	$ 832,500	$ 2,984,642	$ 2,955,287	$ 29,355
	Program Operating Expense	1,522,086	(416)	1,521,670	832,500	2,354,170	2,310,278	43,892
	Program Operating Expense Funded by Lotteries	260,000	-	260,000	-	260,000	260,000	-
		1,782,086	(416)	1,781,670	832,500	2,614,170	2,570,278	43,892
	Program Capital Investment	350,472	-	350,472	-	350,472	365,009	(14,537)
	Program Capital Investment Funded by Lotteries	20,000	-	20,000	-	20,000	20,000	-
		370,472	-	370,472	-	370,472	385,009	(14,537)

MINISTRY OF INFRASTRUCTURE
SCHEDULE TO FINANCIAL STATEMENTS
COMPARISON OF EXPENSES – DIRECTLY INCURRED AND CAPITAL INVESTMENTS BY ELEMENT TO AUTHORIZED BUDGET

SCHEDULE 5

For the year ended March 31, 2001

(in thousands)

	2000-2001 Estimates	Adjustments (a)	2000-2001 Budget	Authorized Supplementary & Other Funding (b) (c)	2000-2001 Authorized Budget	2000-2001 Actual Expense	Unexpended (Over Expended)
Statutory Expenses							
Valuation Adjustments							
Provision for Doubtful Accounts	100		100		100	(405)	505
Provision for Vacation Pay	-		-		-	1,684	(1,684)
	100	-	100	-	100	1,279	(1,179)

(a) The adjustment is a dedicated revenue shortfall as detailed in Schedule 2. The shortfall reduces the budgeted amount for voted expenses in the current year.

(b) A Supplementary Estimate was given royal assent on December 4, 2000 in the amount of $ 419,000 to fund several high priority infrastructure support programs. In addition, a supplementary estimate in the amount of $ 406 million was approved by special warrant O.C. 116/2001 issued on March 19, 2001 to fund the Energy Rebates Program.

(c) Treasury Board approved $ 7.5 million of additional spending on dedicated revenue initiatives pursuant to Section 29(1.1) of the Financial Administration Act.

MINISTRY OF INFRASTRUCTURE
SCHEDULE TO FINANCIAL STATEMENTS
SALARY AND BENEFITS DISCLOSURE

SCHEDULE 6

For the year ended March 31, 2001

	2001			2000
	Salary (1)	Benefit and Allowances (2)	Total	Total
CURRENT EXECUTIVES (1)				
Deputy Minister (3)	$ 189,887	$ 6,236	$ 196,123	$ 177,716
Other Executives				
Chair, Transportation Safety Board and responsible for Traffic Safety Services	129,881	32,604	162,485	145,505
Assistant Deputy Minister, Property Development (4)	129,903	37,816	167,719	150,336
Assistant Deputy Minister, Corporate Services (5)	129,903	44,793	174,696	157,482
Assistant Deputy Minister, Property and Supply Management	129,840	30,933	160,773	141,546
Assistant Deputy Minister, Transportation and Civil Engineering (6)	144,593	38,908	183,501	148,311
FORMER EXECUTIVES (1)				
Assistant Deputy Minister, Planning and Technical Services (7)	-	-	-	48,323
Assistant Deputy Minister, Property Development (8)	-	-	-	32,396

Prepared in accordance with Treasury Board Directive 12/98

(1) Salary includes regular base pay, bonuses, overtime and lump sum payments.
(2) Benefits and allowances include the government's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, group life insurance, short and long term disability plans, WCB premiums, professional memberships and tuition fees.
(3) Automobile provided, no dollar amount included in benefits and allowances figures.
(4) Benefits and allowances include vacation payments of $6,527 (2000 $6,155).
(5) Benefits and allowances include vacation payments of $15,229 (2000 $13,541).
(6) Benefits and allowances include vacation payments of $8,703 (2000 $8,046).
(7) Position was eliminated on August 30, 1999 as a result of reorganization.
(8) Former incumbent retired in July, 1999 and a vacant executive position was eliminated as a result of reorganization.

MINISTRY OF INFRASTRUCTURE
SCHEDULE TO FINANCIAL STATEMENTS
RELATED PARTY TRANSACTIONS

SCHEDULE 7

(in thousands)

for the year ended March 31, 2001

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Department.

The ministry and its employees paid certain taxes and fees set by regulation for permits, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The ministry had the following transactions with related parties recorded at the amount of consideration agreed upon between the related parties:

	Other Entities	
	2001	2000
Revenues		
Lottery Fund	$ 280,000	$ 291,700
Postage/Courier	3,087	3,092
Parking/Rental	2,142	2,195
Air Transportation	3,472	4,186
Executive Vehicles/Central Vehicle Operations	1,790	2,066
	$ 290,491	$ 303,239
Expenses - Directly Incurred		
Other Services	$ 2,088	$ 291
	$ 2,088	$ 291
Capital Assets Transferred to Others (net)	$ -	$ 47,831
Amounts Receivable from Others for Air Transportation Services	$ -	$ 402

The ministry also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements.

	Other Entities	
	2001	2000
Revenues		
Executive Vehicles	$ 50	$ 35
Accommodation	191,830	170,612
Air Transportation	1,151	1,351
	$ 193,031	$ 171,998
Expenses - Incurred by Others (Schedule 8)		
Accommodation	1,495	1,858
Legal	467	379
	$ 1,962	$ 2,237

MINISTRY OF INFRASTRUCTURE
SCHEDULE TO FINANCIAL STATEMENTS
ALLOCATED COSTS

SCHEDULE 8

	2001 (in thousands)					2000 (in thousands)
		Expenses - Incurred by Others		Valuation Adjustments [3]		
Program	Expenses [1]	Accommodation Costs	Legal Services [2]	Vacation Pay	Doubtful Accounts	Total Expenses	Total Expenses
Ministry Support Services	$ 34,252	$ 35	$ 41	$ 219		$ 34,547	$ 29,085
Construction Upgrading and Operation of Infrastructure	2,518,416	1,437	316	1,384	(405)	2,521,148	1,832,996
Cross - Government Service	17,610	23	110	81		17,824	18,694
Other							
	$ 2,570,278	$ 1,495	$ 467	$ 1,684	$ (405)	$2,573,519	$ 1,880,775

(1) Expenses - Directly Incurred as per Statement of Operations, excluding valuation adjustments ($2,571,557 less $ 1,279 = $2,570,278).

(2) Costs shown for Legal Services on Schedule 7, allocated by estimated costs incurred by each program.

(3) Valuation Adjustments as per Statement of Operations. Employee Benefits and Doubtful Accounts provision included in Valuation Adjustments were allocated as follows:

- Vacation Pay - allocated to the program by employee,
- Doubtful Accounts Provision - estimated allocation to program.

OTHER FINANCIAL INFORMATION

Motor Vehicle Regulatory System

Alberta's Motor Vehicle Regulatory System provides for the safety of people using the province's highways by regulating the use and operation of motor vehicles on highways. The system provides for driver enforcement and education programs, establishing vehicle standards, maintaining the highways in a good state of repair, and providing compensation for personal injury resulting from motor vehicle accidents involving uninsured or unidentified vehicles in Alberta. The Motor Vehicle Regulatory System is administered jointly by the ministries of Transportation, Government Services and Justice. Motor vehicle registry charges, charges for commercial carrier permits and Motor Vehicle Accident Claim (MVAC) program charges are levied to support the operation of the system.

The cost of these programs exceeds the revenue generated from the related fees. The revenues and expenses associated with the Motor Vehicle Regulatory System will be disclosed in the fiscal 2002 Annual Report in accordance with recommendation 7.1 in the final report of the Fees and Charges Review Committee.

INDEX OF GOVERNMENT ENTITIES

Alphabetical List of Entities' financial information in ministry 2000-01 annual reports

ENTITIES INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY

Ministry, Department, Fund or Agency	Ministry Annual Report
Agriculture Financial Services Corporation	Agriculture, Food and Rural Development
Alberta Alcohol and Drug Abuse Commission	Health and Wellness
Alberta Dairy Control Board	Agriculture, Food and Rural Development
Alberta Energy and Utilities Board	Resource Development
Alberta Foundation for the Arts	Community Development
Alberta Gaming and Liquor Commission	Gaming
Alberta Government Telephones Commission, The	Treasury
Alberta Heritage Foundation for Medical Research Endowment Fund	Treasury
Alberta Heritage Savings Trust Fund	Treasury
Alberta Heritage Scholarship Fund	Treasury
Alberta Heritage Science and Engineering Research Endowment Fund	Treasury
Alberta Historical Resources Foundation, The	Community Development
Alberta Informatics Circle of Research Excellence Inc. (ICORE)	Innovation and Science
Alberta Insurance Council	Treasury
Alberta Municipal Financing Corporation	Treasury
Alberta Opportunity Company	Agriculture, Food and Rural Development
Alberta Pensions Administration Corporation	Treasury
Alberta Petroleum Marketing Commission	Resource Development
Alberta Research Council Inc.	Innovation and Science
Alberta Risk Management Fund	Treasury
Alberta School Foundation Fund	Learning
Alberta Science and Research Authority	Innovation and Science
Alberta Securities Commission	Treasury
Alberta Social Housing Corporation	Community Development
Alberta Sport, Recreation, Parks and Wildlife Foundation	Community Development
Alberta Treasury Branches	Treasury
ATB Investment Services Inc.	Treasury
Child and Family Services Authorities:	Children's Services
Awasak Child and Family Services Authority	
Calgary Rocky View Child and Family Services Authority	
Child and Family Services Authority Region 13	
Child and Family Services Authority Region 14	
Diamond Willow Child and Family Services Authority	
Hearthstone Child and Family Services Authority	
Keystone Child and Family Services Authority	
Ma' Mowe Capital Region Child and Family Services Authority	
Metis Settlements Child and Family Services Authority	
Neegan Awas'sak Child and Family Services Authority	
Ribstone Child and Family Services Authority	
Sakaigun Asky Child and Family Services Authority	
Sakaw-Askiy Child and Family Services Authority	
Silver Birch Child and Family Services Authority	
Southeast Alberta Child and Family Services Authority	
Sun Country Child and Family Services Authority	
West Yellowhead Child and Family Services Authority	
Windsong Child and Family Services Authority	

Alphabetical List of Entities' financial information in ministry 2000-01 annual reports

ENTITIES INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY

Ministry, Department, Fund or Agency	Ministry Annual Report
Credit Union Deposit Guarantee Corporation	Treasury
Crop Reinsurance Fund of Alberta	Agriculture, Food and Rural Development
Department of Agriculture, Food and Rural Development	Agriculture, Food and Rural Development
Department of Children's Services	Children's Services
Department of Community Development	Community Development
Department of Environment	Environment
Department of Gaming	Gaming
Department of Health and Wellness	Health and Wellness
Department of Innovation and Science	Innovation and Science
Department of Justice	Justice
Department of Learning	Learning
Department of Resource Development	Resource Development
Department of Treasury	Treasury
Environmental Protection and Enhancement Fund	Environment
Gainers Inc.	Treasury
Government House Foundation, The	Community Development
Historic Resources Fund	Community Development
Human Rights, Citizenship and Multiculturalism Education Fund	Community Development
Lottery Fund	Gaming
Ministry of Agriculture, Food and Rural Development	Agriculture, Food and Rural Development
Ministry of Children's Services	Children's Services
Ministry of Community Development	Community Development
Ministry of Economic Development	Economic Development
Ministry of Environment	Environment
Ministry of Executive Council	Executive Council
Ministry of Gaming	Gaming
Ministry of Government Services	Government Services
Ministry of Health and Wellness	Health and Wellness
Ministry of Human Resources and Employment	Human Resources and Employment
Ministry of Infrastructure	Infrastructure
Ministry of Innovation and Science	Innovation and Science
Ministry of International and Intergovernmental Relations	International and Intergovernmental Relations
Ministry of Justice	Justice
Ministry of Learning	Learning
Ministry of Municipal Affairs	Municipal Affairs
Ministry of Resource Development	Resource Development
Ministry of Treasury	Treasury
N.A. Properties (1994) Ltd.	Treasury
Natural Resources Conservation Board	Environment
Persons with Developmental Disabilities Community Boards	
Calgary Community Board	Health and Wellness
Central Community Board	Health and Wellness
Edmonton Community Board	Health and Wellness
Northeast Community Board	Health and Wellness
Northwest Community Board	Health and Wellness
South Community Board	Health and Wellness

Alphabetical List of Entities' financial information in ministry 2000-01 annual reports

ENTITIES INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY

Ministry, Department, Fund or Agency	Ministry Annual Report
Persons with Developmental Disabilities Foundation	Health and Wellness
Persons with Developmental Disabilities Michener Centre Facility Board	Health and Wellness
Persons with Developmental Disabilities Provincial Board	Health and Wellness
S C Financial Ltd.	Treasury
Supplementary Retirement Plan Reserve Fund	Treasury
Victims of Crime Fund	Justice
Wild Rose Foundation, The	Community Development

ENTITIES NOT INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY

Fund or Agency	Ministry Annual Report
Alberta Cancer Board	Health and Wellness
Alberta Foundation for Health Research	Innovation and Science
Alberta Heritage Foundation for Medical Research	Innovation and Science
Alberta Heritage Foundation for Science and Engineering Research	Treasury
Alberta Mental Health Board	Health and Wellness
Alberta Teachers' Retirement Fund Board	Learning
Improvement Districts' Trust Account	Municipal Affairs
Local Authorities Pension Plan	Treasury
Long-Term Disability Income Continuance Plan -Bargaining Unit	Human Resources and Employment
Long-Term Disability Income Continuance Plan -Management, Opted Out and Excluded	Human Resources and Employment
Management Employees Pension Plan	Treasury
Provincial Judges and Masters in Chambers Pension Plan	Treasury
Public Post Secondary Institutions	Learning
Public Service Management (Closed Membership) Pension Plan	Treasury
Public Service Pension Plan	Treasury
Regional Health Authorities	Health and Wellness
School Boards	Learning
Special Areas Trust Account, The	Municipal Affairs
Special Forces Pension Plan	Treasury
Supplementary Retirement Plan for Public Service Managers	Treasury
Universities Academic Pension Plan	Treasury
Workers' Compensation Board	Human Resources and Employment